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The Shape of Things

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THE PERFECTION OF PLANS TO CUSHION economic and financial shocks which war would bring to this country has kept many government agencies busy in the past week. On page 245 Keith Hutchison explains the extent of British funds mobilizable in this country and discusses some of the effects their utilization may have on our economy. Already the British have been compelled to let the pound sterling slide from the stable exchange relation with the dollar which has held for many months. Under the circumstances this move can hardly be treated as an attempt to obtain trading advantages through currency depreciation. Moreover, if war does break out, any disadvantage we may suffer will be more than compensated for by the enforced reduction of British competition in neutral markets. Immediately, however, with so many other currencies tied to sterling, the result is near-chaos in the foreign-exchange market. On the Stock Exchange prices dropped sharply at the beginning of last week, but at no time was liquidation on a large scale, and since then there has been some recovery. With the open speculative position on the Exchange comparatively small, the market should be able to weather the immediate effects of an outbreak of war without the necessity of closing down as in 1914. Of particular importance for the Administration is the action of the government bond market, which has also partially recovered from an initial slump. The Treasury had planned new financing for September and had hoped to float a long-term loan. Under the circumstances it may be necessary for it to content itself with the issue of more short-term notes. But even if no financing were possible at all at this time, the large cash balance in hand would be sufficient to prevent the development of any stringency.

*

NO SINGLE PIECE OF GOOD NEWS SHOULD be overlooked in these days. The internal quarrel which has divided Yugoslavia into fighting camps almost since the foundation of the united kingdom more than twenty years ago has been ended by a solution along the lines of federation. A new ministry has been formed with

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Dr. Vladimir Matchek, the leader of the Croats, as Vice-Premier, and four other Croats as members. And, more important, the program of the new ministry promises many sweeping reforms which, if carried out and honestly administered, will amount to a restoration of democracy in a country which has had autocratic rule since King Alexander established himself as dictator in January, 1929. Freedom of the press and of assembly and a new election law protecting the secrecy of the ballot have already been reintroduced by decrees which supplement the Serb-Croat accord. This accord gives the Croats their internal independence, for which they have fought for so long, and at the same time strengthens the united kingdom by really uniting it. It is only four weeks since Dr. Matchek spoke of secession as Henlein did a year ago in Czechoslovakia. It is obvious that internal peace has been achieved with the involuntary assistance of the Germans, who tried to press this key state of the Balkans into their orbit. There is some reason now to expect that Yugoslavia's example may have excellent consequences in other Balkan states.

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NEWS THAT A TRADE AGREEMENT IS BEING negotiated between Argentina and the United States furnished a small gleam of light in what was otherwise a dark week. The report was doubly gratifying in that it followed within a few days the announcement of a series of new Argentine import restrictions which will adversely affect American exports. Of the important South American countries, Argentina is most completely in the clutches of the trade policies of the totalitarian states. Last winter at Lima it led the opposition to the continental defense proposals offered by the United States. Although it ranks next to Canada in the Western Hemisphere as a trade outlet for the United States, its products—particularly wheat, corn, hides, and meat—are more competitive with United States products than those of the other Latin American states. Its elaborate system of quotas, exchange differentials, and preferences has also been a serious obstacle to normal trade relations. Most of these difficulties—political as well as economic—seem to have been surmounted, for the agreement would hardly have been announced if there were serious danger of a last-minute hitch. A substantial pact between the two countries will be the most important advance yet achieved under the Good Neighbor policy.

✶

AS THE MAYOR OF SAN ANTONIO, TEXAS, Maury Maverick roams a somewhat more provincial reservation than Washington, but he shows no signs of being inhibited by his environment. When a handful of local Communists sought permission to meet in a public hall, the request was granted. Maverick was thereupon besieged by the local "best people," and less exemplary elements, demanding that he withdraw the permit. He refused to do so, and stuck to his refusal despite an insistent chorus of abuse, sending at the same time an extra detail of police to guard the meeting. It wasn't his fault that the native hoodlums succeeded, despite these precautions, in storming the hall, creating a riot, and breaking up the meeting, all, of course, as a primitive lesson in "democracy." When Maverick remained unimpressed by their efforts, they did more than that. They launched a "recall" movement designed to relieve him of his job. We hope that there is enough popular decency in San Antonio to squelch this movement decisively, but we suspect that Maverick's stature is enhanced in any case. He has been frequently denounced by the Communist press, and his love for Communists is less than fervid; moreover, in a week like the last, when international developments aroused so much anti-Communist feeling in the United States, it would have been easy for him to jump on the band-wagon. But he persisted in seeing the larger issue of civil rights. We regret that the avalanche of European news obscured what was a pretty heroic defense of democracy on a local front.

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IT SHOULD BE MANY A LONG WINTER'S night before the more politically minded gentry of both the right and the left get used to their new bedfellows. The plight of the Communist is only the most obviously pathetic case. After expounding the thesis that, Marx or no Marx, there was a great difference between a fascist and an ordinary capitalist and that it was necessary to sleep with the latter in order to frustrate the former, he must now hail Stalin for climbing into bed with Hitler in order to make life miserable for Chamberlain. After scoring appeasement day in and day out, he must now join the Munich chorus by pointing out that the Russian-German pact marked a great day for Poland by showing the way to peace—the idea being that Poland, too, is free to make a pact with Germany and thus prevent a war. But if the Communists find themselves cozying up to appeasers, Nazis, and the like, sleeping arrangements have become similarly complicated for Bundsmen, Christian Mobilizers, Christian Fronters, and Knights of the White Camellia. Fritz Kuhn blandly declares that he never was anti-Russian or even anti-Soviet—just opposed to international communism. George Deatherage, the Camellia, goes even farther; he finds, somewhat retroactively, that Christianity has been flowering in Russia lo these many months and that the real seat of the anti-Christ has been moved from Moscow to New York. Father Coughlin, still tied to the strings of the church, is unable to bless both Stalin and Hitler and is accordingly obliged to give them both his curse—which may mean that he will find himself fighting the Nazi-minded

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Mobilizers so recently sprung from his own Christian Front. The Danse Macabre is on. Change your partners!

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LAST WEEK WE PRINTED A LETTER SIGNED by four hundred persons sympathetic with the Soviet regime attacking the Committee for Cultural Freedom and denouncing as "fascists and their allies" the persons who organized that group and drew up its manifesto, printed and commented upon in *The Nation* for May 27. The letter listed "ten basic points in which Soviet socialism differs from totalitarian fascism," these points, taken together, constituting an unqualified indorsement of the Soviet system. We announced, in a postscript to this document, that in our next issue we planned to print a contribution from Goodwin Watson of Teachers College explaining his refusal to sign the letter and an editorial comment of our own. The events of the past week make any such lengthy discussion seem unnecessary; they serve as an effective commentary on the claims of the 400 signers. It is sufficient at this time to say that the majority opinion on *The Nation's* editorial board was opposed to the letter—despite the fact that two members of the staff signed it. Even when it was received it seemed uncritical; today we wonder how many of the 400 would have signed could they have foreseen what was to come.

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THE RESOLUTE FIRMNESS OF ANGLO-FRENCH diplomacy is being supported by a really impressive mobilization of resources. In last September's crisis military preparations, particularly by Britain, seemed designed to scare the home public rather than to show Hitler that serious resistance was contemplated. But this time the emergency powers granted to both the British and French governments are being used swiftly and effectively. Both countries have proceeded far with army mobilization. The British navy at full war strength is at its stations in the North Sea and elsewhere ready to begin the blockade of Germany at a moment's notice and to intercept all German merchant ships unable to make home ports by zero hour. Civil defense preparations also appear to be far advanced, and there can be no doubt that resistance to air attack would now be immensely more effective than a year ago. But defense of Britain and France is one thing; the problem of how speedy aid can be given to Poland, on which the first heavy blow will fall, is another matter. The answer to this strategic question can hardly be given until the final line-up of powers is clear. If Italy remains faithful to Hitler, the main Anglo-French offensive would probably be directed against it as the weak end of the axis. But this very fact is one reason for the growing belief that Mussolini may attempt to remain neutral at least for a time. In this case, the French army would either have to attempt to force the Siegfried line—and even if this were possible it would be likely to prove horribly costly—or sit down to play a waiting game. One other major strategic move may be under consideration. Overwhelmingly stronger than the German fleet, the British navy may decide to pursue a more actively offensive policy than in the last war. Hence it may attempt to break into the Baltic before Germany is able to close the channels with mines. Were it able to obtain command of this sea, not only would direct aid to Poland become possible but the whole strategic position of Germany would be undermined.

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AGAIN THE RADIO HAS COMPLETELY ROUTED the press. This is in the nature of things; words flow over the air waves and into our ears as continuously as the stations wish, while the printed column takes time to prepare and to distribute. But the excellent news service provided by the important broadcasting companies is not due to the medium alone. They have organized, to meet the demands of the crisis, a most impressive combination of straight reporting from the places in Europe where news originates and interpretative comment on the news at strategic centers, both in the United States and abroad. As in the pre-Munich crisis, the Columbia System has provided the most effective service. Columbia's regular European representatives, Edward R. Murrow in London and William L. Shirer in Berlin, have been consistently good, but this year's star reporter is Thomas Grandon of the International News Service, whose reports from Paris have been remarkable both for accuracy and good sense. H. V. Kaltenborn, Columbia's indefatigable New York commentator of a year ago, has been in Berlin and London and has sent useful interpretations of developments in those cities. But in our own country the outstanding analyst of events as they have come hot off the air waves has been Raymond Gram Swing, who has literally lived in the WOR studios and has provided frequent shrewd and accurate interpretations over the Mutual stations. Elmer Davis deserves almost equal credit. His intelligent and well-informed comments over the Columbia network have seemed particularly close to the feeling of most liberal Americans. The radio is destined to be our main source of spot news if war comes, and the men we have mentioned here will undoubtedly be among our leading war correspondents.

*

"HIS IS, THEREFORE, A DAYLIGHT WORLD IN which common sense is still the standard by which everything is judged." We quote Joseph Wood Krutch writing in *The Nation* in 1933 about Sidney Howard's work as a playwright. Mr. Howard, who was killed in an accident last week, lived, too, in a daylight world; common

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sense in the best meaning of the term ran through his opinions as well as his plays. He was more interested in facts than in doctrines. His main interest was in the theater, but one of his first published works was a report on labor spies, the first so far as we know, written in collaboration with Robert Dunn; up to the time of his death he was on the national committee of the American Civil Liberties Union. His sympathy for the under-dog was practical and constant rather than sentimental and fashionable. His contributions to the American drama had the same tough-minded, realistic quality. We quote again from Mr. Krutch: "Writers who are intelligent without being 'intellectual' . . . frequently get from critics somewhat less consideration than they deserve. They are too clear to require explaining and too popular to need defense. . . . But the fact remains that Mr. Howard's plays are among the best ever written in America. . . . Mr. Howard stands very near to the head of the list of those who rescued the popular drama from that sentimentality which for some reason continued to be considered indispensable there long after it had disappeared from most serious writing in other forms."

Europe's Last Stand

By FREDA KIRCHWEY

THE NATION'S editorial deadline coincides too closely for comfort with the deadline facing Europe. As these words are written, on Tuesday, August 29, the British Parliament is meeting to hear the Prime Minister's report on the government's efforts to avert war. Adolf Hitler's reply to the British note proposing terms of settlement has been dispatched but not received, and completely conflicting rumors about both have been reported in the press and over the air. Meanwhile, confusion is increased by the announcement that the parliament of the Soviet Union has postponed "until later this week" ratification of the Russian-German non-aggression treaty. Within a day war may be under way, a war which will at the start involve the greater Germany, Poland, France, Great Britain and several if not all of the Dominions, and probably Italy, and if it lasts will certainly drag in most of the other major powers. But a chance remains that war will again be averted by some zero-hour compromise or postponed by continued negotiation. To attempt to comment on these vast uncertainties is useless; to prophesy would be foolish. All one can do is to review some of the more lasting considerations against which either war or continued efforts for peace must finally be judged.

While we wait for the crisis to break, we listen like drug addicts to the endless nerve-deadening iteration of proposals, real and rumored, for some "solution"—some way out of war that will not lead to a peace even worse than war. But every suggested formula sounds strangely empty as it comes over the air, and the efforts seem basically futile. For back in the mind of almost every listener is the cold realization that no peace can be made with Adolf Hitler.

That is the plain fact. And it is in the light of that fact that all proposals must be examined. A deal can be made with Hitler; and he can then break it, at his convenience, as he has broken every similar agreement he has ever contracted. A surrender can be made to Hitler; and however small or moderate or reasonable it may be, it will point to a complete surrender later on. Or, conceivably, Hitler himself can be forced to yield. Such an outcome might bring about a genuine peace if the powers proved wise enough to transform their "bloodless victory" into a thoroughgoing cure of Europe's chronic and deep-rooted ailments. But that peace would not be made with Hitler, it would be forced upon him—as he has forced his terms on the peoples he has conquered—by superior firmness and superior power. Is such a peace in the making at London and Berlin this morning? If so, our readers will be breathing more easily when this issue is in their hands. If not—there can be no peace.

War would be preferable to another deal with Hitler, and war would be preferable to the continued struggle of nerves and diplomacy that has exhausted the peoples for the past months. I say that in full realization of what the words mean, and in a solemn belief that it represents the feeling of the majority of the peace-loving men and women in the non-fascist countries of the world. Continued surrender to the aggressions of the fascist dictators would mean the end of the hopes of civilized people—of an expanding culture, of decent relations among men of different faiths, of labor's effort to develop its independent power and control its own fate, of the struggle to find a way to increase the material wealth of the people, of a more representative and effective democracy. None of these processes and efforts would survive an era of fascist control. Culture would be bent, as it is in Germany, to the purposes of a military state. Jews would be persecuted—perhaps largely exterminated—over vast areas of the earth now relatively free from anti-Semitic terrorism. Labor would revert to wage-slavery in literal fact; free unions would be crushed and no political expression of the interests of the workers would be tolerated. The production and trade of the nations would be subjected to restrictions, aimed against one another, that would insure a declining world economy, a lower standard of life, and a reversion to the archaic methods of exchange of goods characteristic of Germany today. And political democracy would be dead.

And even such a peace would not last. It would be founded on the suppression of the aspirations of the

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subject or subordinate nationalities of Europe. Hitler himself is solid proof of the futility of trying to accomplish peace by dismemberment or the subjection of national groups. And now Hitler is repeating the age-old vengeance of the vanquished turned victor. Already the Austrians and Czechs and Slovaks under his rule are guaranties of future trouble, while each further conquest will add its weight to the heavy certainty of another world war in place of the immediate war that would be dodged by another surrender.

Does this sound like an exaggerated picture of the consequences likely to follow so small a concession as, say, the yielding of Danzig and the Polish Corridor to Hitler? No one who has sharply in mind the announced aims of fascist Germany and the fate of its past victims can say so. If the Polish door at Danzig is opened far enough to allow Hitler to shove in even one military boot, I am certain that the dismemberment of Poland will follow—guaranties or no guaranties—and that a new war crisis will emerge in a few months. The British and French people know this; the French government and General Staff know it; a part, at least, of the British government knows it; even Neville Chamberlain, I believe, has heard the clear warning of the people who put his party into power that they will not tolerate another sell-out followed by another period of tension ended by another climax of mobilization and threatened war.

But still the talks go on. In Parliament at this moment the Prime Minister reiterates the pledge to Poland, and in the next breath he urges the need for extreme restraint on the part of the press lest delicate negotiations with Hitler be endangered, and he declines to reveal the substance of the exchanges between the British government and Hitler. He says only that the Nazis desire an all-round settlement of differences with Great Britain but that his government is clear that such an agreement, though desirable, must rest upon a satisfactory solution of the Polish question. Perhaps Hitler in Berlin is actually weighing a retreat from his flat demand for Danzig and the Corridor against an offer of generous terms in a European new deal. He said in "Mein Kampf"—though the comment applied to Britain's choice of allies at the start of the World War: "It is the duty of a diplomacy to see to it, not that a people falls heroically, but that it is preserved practically. Every road leading to this is therefore suitable, and its evasion must be marked as a criminal neglect of duty." Is Hitler moving down a road that leads to the unheroic but practical preservation of his people? Or has he, like the Kaiser, misjudged the final temper of the British nation? Or is that temper to be ignored by the leaders of the British government and allowed to dissipate in demoralizing futility?

You who read these lines may be able to answer these questions.

Roosevelt's Fight for Peace

ONLY THE most blindly partisan can quarrel with the interventions in the European situation which Mr. Roosevelt has made since he cut short his vacation. The messages he has sent to the King of Italy, to the President of Poland, and to Herr Hitler may seem foredoomed to failure, but the head of the greatest nation not directly concerned in the present crisis could not do otherwise than exercise all the moral authority he possessed in behalf of peace.

Nor in doing so can anyone truthfully say that he has attempted to involve us in Europe's tragedy or committed us in any respect. What he did do in these messages was to point out forcefully and clearly how overwhelming a disaster war would be for all the world and to urge that no possible way of averting it should be neglected. At the same time he made it absolutely plain that he was giving no blessing to "appeasement." On the contrary, in his note to Hitler he stated very pointedly that the kind of peaceful negotiations he advocated must be based on each nation's willingness to accord "complete respect to the independence and territorial integrity of the other."

We believe that in this stand the President has well interpreted the convictions of the vast majority of Americans. The people desperately desire peace, for they are convinced that, once war starts, the chances that we shall not eventually be drawn in are exceedingly slim. But they know too that peace can never be assured by paying blackmail to a bully. The way in which Hitler was bought off last September seemed an outrage to most Americans, and their instinctive feeling that the only thing achieved was a postponement of war has been proved only too well justified. We cannot think that anyone in this country desires a new Munich except open pro-Nazis and a few extreme isolationists, such as Senator Nye and Congressman Fish, who appear to believe that the proper course of action for the President is to encourage the democracies to cave in to German threats.

If war does break out, the President will be obliged to proclaim the measures necessary to maintain our neutrality, including the provisions of existing neutrality legislation. This means that no belligerents would be able to buy arms here but that all would be free to buy other goods and to have them carried on American ships. Thus while, thanks to the shelving of the new bill indorsed by Mr. Hull and the President, Britain and France will not be able to buy munitions or planes here, the absence from the present act of any "cash-and-carry" proviso will increase the prospect of violations of neutrality by attacks on our shipping.

It is highly probable, however, that if war comes, Mr. Roosevelt will summon Congress in special session

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and ask it to pass the bill blocked in July by the Senate Foreign Affairs Committee. Should he do this the belief in Washington is that it would go through fairly easily. It is pointed out that the isolationists are over-represented in the Foreign Affairs Committee and that even so the majority against the bill could have been turned by two votes which were cast on political grounds rather than because of opposition to the principles involved. In any case the isolationists would come back to Washington with considerable loss of prestige. For it was they who insisted that there was unlikely to be a real crisis in Europe this summer and that the chances of war were remote. Senator Borah's "secret service" has been proved wrong and the President absolutely right.

For all that, we must expect the isolationists to put up a stiff fight. They will no doubt argue that the only merit of the President's plan was to stave off war by offering, in effect, support to Britain and France and that, now that war has come, to pass the kind of bill he wants would be to take up a clearly unneutral position. This line would, of course, be a complete reversal of much of what they said two months ago, but we doubt whether that will deter them from pursuing it.

Nevertheless, we have hopes that the gravity of the hour will diminish the partisanship so rampant earlier in the summer and that the majority in Congress will rally around the President. We suspect that the development of public opinion will encourage this course. The immediate effect of the Russian-German pact has been superficially to strengthen isolationism to some extent. In their disgust at the news many people are inclined to adopt the view that no honest American should venture into the seething mass of European double-crossers. But if Britain and France continue to stand firm and as a result Hitler embarks on the desperate gamble of war, we should expect sentiment to swing strongly in the democracies' favor. We know already from numerous "polls" that the majority of Americans would hope for the defeat of Germany.

With Russia committed at least to isolation the odds are almost certainly now against Britain and France. We may think it possible to take a sporting attitude toward a war: cheer if the side we are backing is winning, shrug our shoulders when the tide is against it. But is it, in fact, of no real importance to us whether the democracies or the fascist powers triumph? Are we prepared to see the British Empire—with all its sins— replaced by a Nazi empire? Even Hamilton Fish says he will cease to be an isolationist when the British fleet is sunk. We suspect that most Americans, once the issues become clear, will consider that it would be wiser and more in our own interest to render what economic help we can now than to wait until mere economic action will be powerless to maintain a barrier between us and a Europe under Nazi domination.

The Far East

THE Soviet-German non-aggression pact will at least have a salutary effect in the Far East. Japan has already suffered a severe internal crisis, in which the military clique appears to have met an unprecedented reverse. Angered by the failure of the Japanese government to adhere to the German-Italian military alliance, the army had taken extreme measures to force such action. The attacks on the British at Tientsin, Amoy, and Hongkong, and the flare-up along the Mongolian-Manchurian border were a deliberate effort to force a change in the policy of the home government. Only a fortnight ago it was widely predicted that the Hiranuma Cabinet would be replaced by a military dictatorship committed to a military alliance with Berlin. Such a development would undoubtedly have led to an intensification of the attacks on Britain, France, and the United States. Instead, the Hiranuma Cabinet has been displaced by a moderate government headed by Nobuyuki Abe. Greatly angered by what it considers a betrayal of the anti-Comintern pact, Japan has turned violently against Nazi Germany. An official protest has been lodged against the Soviet-German agreement. German citizens have been slapped at Tientsin in place of Britishers. As might be expected, the tension between Japan and England is showing definite signs of abatement. The Japanese troops along the Hongkong border have been removed. Nothing further has been heard about the killing of two puppet policemen at Shanghai. Although 6,000 additional Japanese troops were landed near the International Settlement last week, it is probable that they left Japan before news of the signing of the Soviet-German pact reached Tokyo.

While the new Japanese Cabinet may be expected to make energetic efforts to restore Anglo-Japanese friendship, there is still a possibility that the militarists, angered by their setback, may resort to their traditional tactics of creating an external crisis in order to reestablish their position. In such an eventuality the British, as the weakest of the great powers in Asia, would be selected as the most likely target. By a campaign of unmitigated terrorism the militarists have hoped to force London into a position where it had no choice but to support the invaders, politically and economically. This seemed the one chance of assuring a complete Japanese victory. A conciliatory policy carries less risk, but does not offer the same prospects for Japan. Britain's interests lie on the side of a strong, independent China. Any Anglo-Japanese deal that might arise from the present situation would almost certainly safeguard Britain's right to carry on normal economic relations with China.

This and the promise of stronger Soviet support may be put down as definite gains for China. It does not

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follow, however, that China will gain any further advantage from the moderation of Japanese policy. The new Abe government will doubtless devote itself primarily to the consolidation of Japanese gains in China, and thus diminish the risk of alienating the West. And there is danger that Soviet aid may encourage the British government, never noted for its farsightedness, to come to terms with Japan. On the other hand, the logic of events might stimulate the Western democracies to redouble their aid to China in order to offset Soviet influence. In the event of a general European war the responsibility for preserving China from either Soviet or Japanese domination would fall primarily on the United States. The Japanese are by no means beaten. Fate may yet deal the militarists a hand that is as favorable as the present one is unpropitious. But barring such an accident, it is safe to say that Japan's days of easy and relatively unopposed victories have reached an end.

France Is Ready

BY ROBERT DELL

Paris, August 28 (by cable)

THE issue of peace or war still hangs in the balance. Nevile Henderson is on his way to Berlin with the British government's reply to Hitler's communication, the results of which will be known before this appears in print. The situation has been entirely changed by Stalin's treachery. Hitler now knows that he has not got to fight England, France, Russia, and Poland, and he seems determined to risk war. His refusal, in his letter to Daladier, to agree to direct negotiations with Poland was taken here as a bad sign, but it is still widely believed by the general public that war will be averted somehow at the last moment, as it was last October. The grave consequences of the Russian defection show how vitally important Russian participation in the peace front was and what a mistake it was to refuse Litvinov's proposal, made immediately after March 15, to convene a conference of interested powers with a view to concluding a general pact of mutual assistance. It is now evident that the exclusion of Russia from the negotiations caused Litvinov's dismissal, from which no doubt Stalin's changed policy dates, although it is believed that actual negotiations between Germany and Russia probably began in June.

That Stalin's decision to sign a pact with Germany was made suddenly is suggested by the fact that on August 14, ten days before the signature of the pact, *Pravda* published an article violently attacking Germany and accusing it of desiring to change Europe's frontiers by force and to obtain complete hegemony in Europe. *Pravda* said: "The war of the Soviet Union against fascism will be the most just and most legitimate of all wars that humanity has known. It will be a war for the liberation of humanity from fascism and the liberation of the oppressed nations reduced to slavery. It will be for the defense of the international proletariat and the culture of the whole of progressive humanity against fascist barbarism." Stalin could not have permitted the publication of this article if he had already decided to sign the German pact. The probability is that when the Moscow military conversations broke down, Hitler agreed to all Stalin's conditions. The chief cause of the breakdown was no doubt the Polish government's refusal to allow Russian troops to cross Polish territory and that government's public declaration that Poland did not wish to be defended by Russia, but it does not follow that the conversations would have succeeded if Poland had taken a different stand.

The signature of the Soviet-German pact naturally put the French Communist leaders in a difficult position. On Saturday the Communist parliamentary group adopted a resolution declaring that the pact was not incompatible with the conclusion of a treaty between England, France, and Russia, which is manifestly absurd, but at the same time the resolution fully approved of the French government's military measures and its resolution to stand by France's allies. The suspension by the government of Communist newspapers was considered by many people with no Communist sympathies as a mistake because it might give the impression abroad that the French people are not entirely united, which is certainly not the case. If war comes, France will be even more united than in 1914, from the extreme left to the extreme right. That would not be the case if France were going to fight for Danzig or for Poland, but the French know that they are going to fight for France and Europe.

The consequences of Munich and the policy of appeasement are now only too evident to everybody, and it is generally recognized that as a result of Munich we are not in as good a position as we were last September, in spite of the improved French air force. If England and France acted in regard to Poland as they acted last year in regard to Czechoslovakia, they would drive Poland and all the other East European states into the German orbit and would then have to support a German attack alone. If Hitler would waive his demand for an im-

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mediate restoration of the Polish Corridor to Germany and agree to compromise on Danzig alone, as Mussolini is said to have proposed, Poland might possibly come to an arrangement. It is clear that if war comes Germany will at once seize Danzig and use it as a military and naval base. Such a compromise, however, could be acceptable only if it were followed by some vigorous diplomatic or, if necessary, economic initiative on the part of all peace-loving countries that would convince Hitler that he must put a stop to his career of aggression.

Hitherto the initiative has always been left to Hitler, and nothing has been done until he acted. There is every reason to believe that Mussolini is desperately anxious to keep out of war, but it is hardly possible for Italy to remain neutral unless Hitler agrees to "armed neutrality," which might be more inconvenient to France than Italian participation in war. The one bright spot in the picture is Hitler's abandonment of Japan, which improves the situation in Asia. If Russia gives more help to China, as is certainly to Russia's interest, the Japanese may find themselves in difficulties.

No Munich

BY AYLMER VALLANCE

London, August 28 (by cable)

AT THE moment of cabling, the balance is tipping toward war. Dwindling peace hopes center on a German pause, suggesting the ultimate realization in Berlin that the democracies are prepared for a showdown. The question is, will Hitler tactically retreat now that he is confronted with the first forceful opposition he has met since 1923 and the abortive Munich putsch? But the fears felt here that the Nazis are too deeply committed to retreat are strengthened by Hitler's uncompromising response to Daladier. The lengthy Cabinet deliberations preceding today's reply to Hitler's communication can be accounted for by a desire to leave the Nazis no foundation for their encirclement propaganda and to demonstrate a willingness to respond to Roosevelt's plea for negotiations, but a repetition of Munich is excluded. Contrary to expectations, the Russo-German pact, after the initial dismay, stiffened British opinion. The Conservatives were not surprised, and Labor was disillusioned. A feeling of having their backs to the wall has united the democracies and clarified the issue as one of totalitarian domination. It is universally recognized that the problem of Danzig is merely incidental, but concessions based on a reliance on Nazi good-will are vetoed as involving a crisis next spring under conditions progressively deteriorating.

The British public is stoically immune to the jitters it suffered last September. They are proceeding methodically to empty the hospitals; London children are rehearsing the evacuation of the city; head offices of financial institutions are being removed to the country; windows are being darkened, basements sandbagged, and food stored. Characteristically the greatest anxiety is that pet animals are not furnished with gas masks. In contradistinction to last September the public morale is unshaken, a fact due to the volunteer participation of millions of men and women in active civil defense—exemplified by air-raid wardens on day and night duty—and the mobilization of all the services of the territorial and auxiliary forces.

Otherwise the public's week-end holiday occupations were normal. But the unbearable near-war tension of the past year has induced a feeling that if the storm must burst it had better be got over with. The opposition in Parliament is wise in not indulging in recriminations about past responsibilities; it solidly supports the government, largely because of the Labor leaders' resentment of the Russian *volte-face,* the Communist apologies for which are being ridiculed.

In the event of war there is a probability of immediate Socialist participation in the government despite the doubts in progressive circles of the wisdom of such a step. They consider that if British experience in the early stages of the war is not favorable, the alternative of a Socialist leadership might be nationally advantageous. Any illusions as to immediate American assistance in the form of credits and munitions have vanished and been replaced by a stolid recognition of the fact that Britain must fight its own battles, although there is a widespread belief that a Britain double-crossed by Russia but loyal to its own guaranties may regain the sympathies forfeited at Munich. The view here is that the Soviet deal, despite its immediate military value, confronts Hitler with long-range difficulties by swinging Catholic world opinion against the axis, especially Spain and Italy and the British Catholics who previously had sympathized with the anti-Bolshevik crusade. Also it is thought that Britain may possibly be relieved of dangerous naval requirements in the Far East by Germany's let-down of the Japanese. To summarize, Britain is absolutely not bellicose, but, characteristically, it becomes most formidable when the hopes of peace are frustrated.

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This Is America

VII. ROOSEVELT AND THE VITAL EAST

BY KENNETH G. CRAWFORD

IT IS axiomatic in national politics that a successful Presidential candidate must go West with a substantial block of electoral votes from the populous Middle Atlantic states, notably New York, New Jersey, and Pennsylvania. Wilson lost them all in 1916, but his victory, to the professional politicians, was the exception that proved the rule. Their favorite argument against a third term for Roosevelt is that he can't win because these states have turned against him. While conceding that Roosevelt sentiment is strong and seems to be growing in the West and that the solid South is probably good for one more test of solidarity, they point to the Middle Atlantic region, with its 104 electoral votes—including those of Delaware, Maryland, and West Virginia—as the weak spot on the New Deal political map. If Roosevelt himself runs, the tradition-bound East won't stand for violation of the third-term precedent; if he does not run, the seaboard will revert to its traditional hard-money, full-dinner-pail Republicanism.

This is the reasoning, and it is based on a kind of form-sheet analysis that bears about the same relation to the facts that palmistry bears to science. The Republicans may be able to whip up resentment against the third term in the next year, but they haven't done it yet. Except among the confirmed Roosevelt haters there is no concern with the metaphysical argument over the propriety of extending the President's tenure from eight years to twelve. Neither is there any general capitulation to the thesis that a Republican should be installed in the White House because the Republican Party will restore prosperity merely by "running things better." Loyalty to a party label is as dead in the East as in the West; only in the South does it persist.

Roosevelt's tremendous personal popularity is as obvious as the smokestacks all along the Eastern seaboard. Indeed, it seems to thrive on adversity. Repeated rebuffs to the President at the last session of Congress were resented even though the issues may not have been fully understood. Roosevelt was trying to do something for the humble citizen, and a lot of malicious Congressmen were getting in his way. The alliance of Southern Democrats and Northern Republicans is beginning to be blamed for the nation's continued failure to find a recovery formula. A sense of sectionalism is developing. There is real bitterness against the South, intensified recently by the attack on the wage-hour law, which is by all odds the most enthusiastically approved piece of New Deal legislation. This is particularly apparent in New Jersey, where Mary Norton, chairman of the House Labor Committee, has dramatized the issue, and where the law has increased wages in the sweatshop industries which have not yet moved South. The tie-up between Republicans and Democrats that was responsible for the effort to undermine the $11-a-week minimum wage has not helped Northern Republicans. The reduction in relief standards likewise is deplored, not only by WPA employees but by the small shopkeepers they patronize. The President's foreign policy has won general acceptance in the section where European events are eagerly followed and foreign ships can be seen in the harbors.

Upper bracketeers are more sour on the New Deal than ever, if possible, and they have made some converts along the upper fringes of the middle class. The reaction against Roosevelt continues in the small towns, but in the rural areas it is imperceptible, and in the large cities, where political power is concentrated, there is actually a renascence of Roosevelt sentiment.

Extensive inquiry leads me to believe that today Roosevelt himself could carry the Middle Atlantic tier almost as decisively as he carried it in 1936. A Democratic nominee indorsed by Roosevelt, provided that he was reasonably attractive personally and that his opponent was any one of the Republicans now in the running, would have an even chance if he identified himself closely with the New Deal and its leader. For example, Supreme Court Justice William O. Douglas might make it unless an attempt to nominate him precipitated a brawl at the Democratic convention. Paul V. McNutt is suspect among workers, but this suspicion might be broken down. His name inspires interest but uncertainty. The Garner myth has persisted surprisingly, but there are indications that it is fading. John L. Lewis's broadside did the Texan's candidacy no good in western Pennsylvania and West Virginia. Tom Dewey is the only Republican who shows any promise of eating into the independent vote. Arthur Vandenberg has the strongest hold on the hard-shelled Republicans who would support any nominee the party put up. But there is no impressive enthusiasm for any of the G. O. P. hopefuls or, for that matter, for any Democrat except Roosevelt.

To count out the Democratic nominee, even if it is not Roosevelt, it must be assumed that the 1938 elections

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were an accurate index of the country's sentiment about the New Deal and that the trend away from the Administration then indicated has continued. Undoubtedly the New Deal lost some of its following between 1936 and 1938, but in most of the Eastern elections local considerations were as compelling as national issues. For example, W. Warren Barbour, Republican, was elected Senator from New Jersey partly as result of a deal with the Democratic boss, Frank Hague; Arthur H. James, Republican, was elected Governor of Pennsylvania in a revolt against the state's Democratic machine; Thomas E. Dewey made a good run in New York because he was a glamorous young racket-buster running against a tired liberal. These election results gave a distorted picture of public opinion. In so far as they were the product of reaction, that reaction has been checked or reversed. It is notable that Democratic Congressmen from these three states refused to join in the coalition moves against Roosevelt and were the nucleus of his support. If their constituents were sick of Roosevelt, they failed to perceive it.

Production and employment have followed an upward curve in all the industrial states during the last three months but not markedly enough to account for the rise of Roosevelt sentiment. There has been no boom except in the war industries. Shipyards and airplane factories are operating full blast. Other industries have gained ground steadily but slowly, and the pick-up has not been sufficient to offset recent reductions in WPA employment. All the Eastern states have had to increase their direct relief expenditures to feed the families discharged as a result of the Woodrum relief policy. Even conservatives are beginning to question the economy of cutting down on WPA only to increase the burden on the individual states.

Local political situations are confused in almost all the Middle Atlantic states and probably will militate against a clear-cut expression of optimism on national issues in 1940, but not to the extent that they did in the off year 1938. Leadership is weak in both parties, and scandal in high places has crippled scores of city and state machines. Tammany Hall has all but tumbled down, and in Pennsylvania and New Jersey the Democratic leadership has been weakened by a wave of indictments. On the Republican side the unwillingness of the diehards to relinquish control to younger, more progressive leaders has bred a general skepticism about the ability of the party to cope with problems of modern government. Even such a moderate as Kenneth Simpson, Republican leader in New York and Dewey's original political sponsor, is under fire from the right. In Pennsylvania the old Weir-Grundy-Pew clique is in control. Governor James is only their stooge, and the way he has been manipulated proves conclusively that the Old Guard has forgotten nothing and learned nothing since the Harding era.

Interpreting his election as a mandate to undo everything the previous Democratic state administration under Governor George Earle had done, James's bosses started out by having him and the all-Republican legislature rip up the state Wagner law, the workmen's compensation law, and the anti-injunction law. Then, as a crowning insult to reason, they put through the Pierson "work-or-starve" bill. This measure provides that any unemployed person subsisting on direct relief from the state must accept work on locally sponsored projects at wages fixed by county assistance boards. The boards have been fixing wages lower than the WPA level. The theory behind the legislation was that it would drive thousands of "loafers" off relief by threatening them with toil. Not only does the resulting system smack of peonage but it hasn't worked. Despite an intensive and expensive effort, only 4,000 of 200,000 "employables" had been put to work two months after the law took effect, and, so far as is known, no one gave up relief to escape labor. More than 832,000 unemployed remained on the dole after the rolls had been combed for work dodgers. And the load continued to increase as WPA layoffs continued. A July increase of 11 per cent in private employment was insufficient to take up the slack let out by the federal economies. Under the circumstances James has of course not been able to make good his campaign promises of tax relief. As a proving ground for the new Republicanism, Pennsylvania has been a notable bust.

James's fumbling has alienated not only the independent vote necessary to keep the state in the Republican column but even some of his most ardent campaign supporters, among them Moe Annenberg, publisher of the Philadelphia *Inquirer*. Although the *Inquirer's* unstinted support of James was in large measures responsible for the success of the Republican campaign, Annenberg was frozen out of the party councils after the vote had been counted. He broke openly with the James administration over the question of revising the Philadelphia city charter and since then has been blasting both state and city Republican officials. Even if Annenberg, who is now close to Jack Kelly, Democratic city boss, wants to revert to Republicanism, he will have his hands full for a while with federal income-tax indictments.

Philadelphia will get a significant preview of 1940 in the mayoralty campaign this fall. All important factions will have an entry. Robert C. White will probably carry the colors of the liberal Democrats; Judge Robert C. Lamberton, Republican, is the choice of the Weir-Pew-Grundy gang; and former Mayor J. Hampton Moore, Republican, will try again with the support of Senator Jim Davis, who, according to reports credited in Philadelphia, is running the Dewey show in Pennsylvania. The idea seems to be that it will be worth while

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for the Dewey forces to spend some money electing Moore and then use the City Hall as the base of operations for a pre-convention round-up of Pennsylvania delegates. Since James won Philadelphia by only 9,000 votes in 1938, even with Republicans in control of the election machinery, it is considered probable that the Dewey scheme will come a cropper. The thoroughly discredited Republican city machine is apparently ripe for a licking.

On the other side of the picture is the mess in which Democratic leaders continue to wallow. David Lawrence, the party's state chairman, is under indictment in connection with a contract fraud but refuses to resign his post pending trial. Senator Joe Guffey, whose term expires next year, will run for reelection on the most consistent New Deal record compiled by anyone in Congress. Despite this record, he may turn out to be an unfortunate running mate for the New Deal candidate. He has been having serious patronage troubles with his county leaders, and the wounds opened in last year's primary fight have not healed. When John L. Lewis came close to nominating Tom Kennedy for governor in that campaign, he proved that the C. I. O. has political power in the state. This power, since augmented by the new coal contract, will be used for Roosevelt's candidate and may go a long way to make up for the deficiencies of the Democratic organization.

Cross-currents of local politics are even more dizzying in New Jersey, where Mayor Frank Hague of Jersey City, despite his penchant for trampling on civil liberties, still rides high. The Supreme Court's decision ordering him to permit even C. I. O. organizers to exercise their constitutional rights in New Jersey appears to have hurt him but little. He has taken his licking in good part and is scrupulously living up to the court's ruling. Organizers not only are permitted to speak in Jersey City but get police protection. The civil-liberties episode endeared Hague to the industrial Brahmans and did him no harm with his patronage-fed army of followers. The question now is what Attorney General Frank Murphy's investigators will do to him. A corps from the Justice Department has been looking into the state of affairs in Hudson County for several weeks. According to reliable reports, they have not caught Hague with his hand in the public till, but some of his associates, particularly in Hoboken, may be jailed as the result of Murphy's thirst for the truth about local officials. The New Jersey inquiry will dovetail with the investigation of Annenberg's racing service, which centers in New Jersey.

In what appears to be an effort to distract Washington's attention from Jersey City, Hague recently has been shouting for a third term. Privately, however, his talk is something less than pro-Roosevelt. At the earliest opportunity, which may come in 1940, he will stick in the knife if he can do it without jeopardizing his own security.

New Jersey, like Pennsylvania, is having its troubles financing relief. The pick-up in business has not compensated for the industries driven out of the state by the taxes necessary to keep the Hague machine in the style to which it has become accustomed. The state administration under Harry Moore has taken advantage of every form of assistance offered by the federal government and has done, all in all, a good job of administration. The unpopular general sales tax adopted by Harold Hoffman, the former Republican governor, has been junked. Moore is asking for authority to float a bond issue and is trying to boost state revenues with a cigarette tax and similar levies. Hoffman is planning to try for a comeback next year. Senator Barbour, who was elected in 1938 to serve out an unexpired term, also will have to run again. He made a straddlebug record at the last session but probably can win again if Hague's support holds out. The Reverend Lester Clee, head of the Good Government League and a Republican, who ran unsuccessfully for governor last time, will be an important figure in the campaign. But the local alignments hinge on Hague, and what he will do, if still free to do it, is uncertain.

New York is having the same troubles as the other two big Eastern states, but able state and city administration has made them less apparent. Governor Herbert H. Lehman and Mayor Fiorello H. LaGuardia both seem to be more popular now than they were when their present terms started. In fact, the Mayor's political success is nothing short of sensational. As a member of the American Labor Party, whose votes gave Lehman his narrow margin over Dewey last year, LaGuardia undoubtedly will support the Democratic Presidential nominee in 1940 unless the anti-Roosevelt forces capture the Democratic convention and nominate one of their own crowd. His support will be important. So will Lehman's. Senator Jim Mead of Buffalo will have to run for reelection next year and should add strength to the Democratic ticket. Tammany Hall is completely disorganized but may be able to pull itself together.

Both Roosevelt and Postmaster General Farley are anxious to rehabilitate the city organization but are not in agreement on how it should be done or, apparently, on which of them is to control it. Some time ago it was reported that Roosevelt wanted to install Jim Fay, who beat John O'Connor for Congress last year, as Tammany's new leader, but Farley favored Joe Gavagan, another New York Congressman. Fay and Gavagan have equally liberal voting records. Recently both the President and Farley have been keeping hands off, presumably because the situation is so hopeless that they see no way out of it. However, the Republicans are not much better off with Dewey forces fighting the Old Guard and Simpson lead-

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ing only one flank of the party. Dewey seems to be sure of the New York delegates, or most of them, if his standing with rank-and-file Republicans means anything.

West Virginia, with Lewis's miners happy and the New Deal as popular as ever, undoubtedly will have the pleasure of giving a thumping majority to the New Deal Presidential nominee and throwing Rush Holt out of the Senate. Senator Matthew Neely seems to have the situation well in hand, and the day Holt is buried under opposition votes will be the happiest of Neely's life. As for Delaware and its three electoral votes, they probably will have to be given back to the du Ponts, who not only are doing a booming war business, but are building an enormous "nylon" plant at Seaford in Sussex County, near the Maryland border, where much of the Democratic strength lies. The resulting employment and rush of loyalty to the du Ponts almost certainly will put the state back in the Republican column in 1940.

Maryland, on the other hand, is normally Democratic and can be expected to support the party's candidate even if he is a Roosevelt man and Senator Millard Tydings opposes him or goes fishing. Tydings's Presidential aspirations, incidentally, are not taken seriously even in his home state. He beat the purge but came through the last campaign with prestige diminished. He will be duty bound to support his colleague, Senator George L. Radcliffe, whose term expires next year, even though he might prefer to back Howard Bruce, reactionary Baltimore banker, who will run for the Senate. Radcliffe served as Tydings's campaign manager in 1938 although he had previously been friendly to Roosevelt, who was trying to elect the liberal David Lewis.

Spotty as the political scene is in the Middle Atlantic states, much as it may change in the next year, particularly if war intervenes and war trade produces quick prosperity, one generalization is possible even now: the Democrats can certainly carry most of the states with Roosevelt; they as certainly can throw them away by nominating a reactionary whom Roosevelt does not support.

[*This is the concluding article of the series "This Is America."*]

Turkey Stands By

BY JONATHAN GRIFFIN

Bucharest, August 15

MANY months before Chamberlain delivered the Czechs into Hitler's hands, the Sunday *Times* of London published an article by "Scrutator" which clearly reflected, as his writing often does, the real thoughts of some of the rulers of Great Britain. It said that you cannot keep a great nation like Germany down; that the whole of Southeastern Europe was Germany's natural sphere of influence; that it was no part of Great Britain's distractingly wide interests to keep any country in Southeastern Europe independent of Hitler. But this, it added, did not mean that Great Britain should not draw the line somewhere if Germany began to go farther and to menace the Near East—the limit to German expansion should be Turkey. If this was the real policy of Chamberlain and his friends, the corrosive moral effects of Munich and the seizure of Prague have forced them to change it, to take a stand well in front of Turkey on the frontiers of Greece, Rumania, and Poland. Yet the fact remains that if Greece, Rumania, and Poland form the front lines of the peace bloc, Turkey is its Hindenburg line; and if war comes, while the defense of Salonika and Corfu, the Carpathians and the Tatras, will be urgent, that of Turkey will be absolutely essential, for Turkey is the last ditch in the defense of the whole Near East against Hitler.

The second reason why Turkey is vital to any peace front is its control of the Dardanelles. At the start of the last great war, although Turkey was neutral, the Germans had carried "peaceful penetration" so far that suddenly, on September 27, 1914, to the apparent amazement of the Sultan's Cabinet, they closed the Dardanelles. Without losing one German life, they managed to drive a wedge between Russia, later also Rumania, and the Western powers—a move that dragged out the massacre for three years, in the course of which the Germans several times came near to victory.

In winning Turkey over to their side Great Britain and France have won, therefore, a key position. But what is the state of its defenses and the spirit of its defenders? The following details from good non-official sources give some idea of Turkish strength. The government can mobilize forty divisions. All the generals and many of the men have had experience of war. Most of the army's material comes from abroad—a great deal from what was Czechoslovakia. The guns of the Dardanelles are German. Of the anti-aircraft guns, many are old ones from Vickers; the new ones are from Skoda and Krupp. In ammunition Turkey is self-sufficient, having factories at Ankara, Yaksihan, and Kirikkale. In those of Kirikkale more than a hundred million Turkish pounds (roughly $50,000,000) are invested. The Turkish air

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force has about 600 first-line planes, mostly Glen-Martin bombers, with some Curtis-Wrights, Messerschmidts, Gothas, Potezes, and Breguets. The navy still has the former Goeben, a ship of 23,000 tons modernized in 1925 at St. Nazaire and lately fitted with anti-aircraft defenses by the British. It includes also four recent destroyers built in Italy and nine submarines—one Spanish, two Turkish, and six German, of which two have just been delivered. Two more submarines are due from Germany in August or September, and several more ships are building—notably four destroyers and two 8,000-ton cruisers. Turkey's poverty has been a grave weakness: how could a country of 16,000,000 inhabitants reach the standard of pre-Munich Czechoslovakia in its armed forces when its whole budget was about as large as that of Paris?

Luckily the real strength of Turkey's defenses depends mainly on other factors. In the first place, their task is made relatively light by Turkey's great geographical advantages: it is too far away for a sudden German attack; it has only 250 miles of European frontiers, and in Asia none but friendly neighbors; and it possesses plenty of food, coal, wood, the main metals, and easy access to three great oil fields, to the sea, and to Russia. Secondly, the British and French military missions, together with the British engineers who have been inspecting the Turkish ports, will certainly see that Turkey gets any help needed to repair urgent defects. That done, can Turkey hold its key position in a long conflict involving all the powers? The answer depends on how far the country is industrially self-sufficient and how far it is politically stable.

In Turkey the building of a new factory is not a mere matter of profits; it is an act of patriotism: a great effort toward economic liberation was essential to genuine political independence. The Sultans had sold their economic freedom to foreigners for cash, and by 1914 Turkey was already a poor country, with no modern industry and with its inadequate capital equipment in the hands of foreigners who exacted not only fantastic profits but political privileges. Between 1914 and 1922 this impoverishment was completed, first, by unregulated requisitioning for the mobilization of 1914, then by the massacre of the Armenians and the expulsion of the Greeks. Turkey lost by these colossal brutalities not only most of the wealth that remained after the war but almost all the people who had had experience in commerce.

Much of the new Turkey's effort has gone toward repairing this damage. It has settled most of the Ottoman Empire's debts, bought up most of the old railways, and created a banking system and a modern industry of its own. In this work the state has taken a great part, chiefly because in a poor country the state alone has the credit required for building railways and factories on a large scale. An American observer, Professor Webster of Beloit College, reckons that, agriculture apart, about half the workers of Turkey are in government or quasi-government employ. At first premiums were given to new factories, as well as rebates of the duties on their imported raw materials; then in 1929 Turkey became, by treaty, free to impose protective duties; and finally, after the world economic crisis had made a balanced economy urgent, the government in 1934 put in operation a five-year plan for creating textile, cellulose, mining, ceramic, and chemical industries, helped by credits from Soviet Russia. Most of the five-year plan was accomplished in four years.

And this is not all. Lately Turkey has carried out very quickly other enterprises vital both to its economic balance and to its national defense. One is the building of two railways—that joining the Zonguldak region, with its ports and coal mines, to Ankara by way of Karabük, and that joining Sivas to Erzurum, and so Ankara to Russia. The first is complete; the second will be ready in October or November, although both were only begun in 1933. The other outstanding creation is the iron-and-steel works of Karabük. Two years ago, still not knowing whether there was suitable iron ore in the country, the government gave to Brassert and Company, a British firm, the contract to build a large iron-and-steel plant at a cost of nearly £5,000,000 sterling. The place chosen was in the midst of paddy-fields; at first the staff had to live in a village nine miles away. The work was done by 122 British construction experts and about 3,000 Turkish laborers, almost all of whom were unskilled, though several hundred are now trained. The plant includes two blast furnaces, each of which can make 300 tons of pig iron a day, four 75-ton open-hearth furnaces, rolling-mills, a pipe foundry, a sleeper-press, 42 coke ovens, and a by-product plant.

Beside it a whole town has sprung up, with up-to-date flats and houses, open spaces, playing fields, swimming pools, tennis courts, cinema, clubs, and public buildings. At present a small group of British are acting as advisers, and eighty operators are coming out from England to help at the start; but soon Turkish managers and operators will take over. Production is starting this August. Coal comes by rail from Zonguldak, about seventy miles away, and hematite iron ore, of good quality and fairly accessible, has been found. Total production will be about 150,000 tons of rolled steel a year, but space has been left for two more blast furnaces. From paddy-fields to steel production in two years, with every part brought from England to Haydarpasa by ship and from there through Ankara to Karabük by rail! It is a fine achievement, and it will make a big difference in Turkey's strength in war and diplomacy.

How stable is the new Turkey? State control of industry is not of the fascist variety, for the government keeps within its means. Though it does bold things, it balances

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each budget genuinely; when it took credits from Russia, it arranged that each time it repaid one of them, Russia should buy the equivalent in Turkish goods. For these reasons a financial crisis is very unlikely. Nor is class warfare to be expected in any near future. There is no large class of rich people since the Greeks and Armenians were liquidated, and the workers in the new industries get wages which, though low, are higher than what they earned as peasants. The government also sees, by frequent local inspections, that profiteers do not raise the prices of necessities. As a result of the massacres and expulsions Turkey, though impoverished, is free from any problem of minorities except for the million or so Kurds. These people, living in difficult country, are still not wholly pacified, but they cannot become a serious danger while Iraq and Russia are friendly to Turkey. The serious opposition to the government has been on feudal and religious grounds. The people, priest-ridden for centuries, have suddenly within seventeen years seen Islam disestablished, women emancipated, clothes westernized, the alphabet latinized, the calendar and the Sabbath christianized. Atatürk stamped out resistance ruthlessly but explained with care the reasons for each change. As economic conditions improved and priestly influence declined, most Turks came to see the reforms as necessary and to take pride in them. At present worship of Atatürk unites the people. The Germans have little chance of stirring up in Turkey a holy civil war.

Has the death of Kemal Atatürk last autumn and the succession of General Ismet Inönü caused any change of policy? The two men, Atatürk and Inönü, were poles apart in character—Atatürk unmarried, dissolute, moody, and unsmiling; Inönü a family man, religious, capable of laughter, deaf and quiet, correct, consistent, and cool. But both of them fought the war of liberation; both of them worked for years with the same ultimate aim—to make Turkey really independent. Perhaps a shade more space in the press is given now to Moslem observances, and it is slightly less easy for a woman to become a judge. Relations with Russia, warm since 1921, cooled off shortly before Atatürk died. Inönü, who as Prime Minister negotiated the Russian credits, is supposed to be Russophile; but what is curious is that, although M. Potemkin visited Ankara and gave Stalin's blessing to the Anglo-Turkish alliance, Russia in July was not keeping Turkey informed about the Anglo-Russian negotiations. The real departure—the alliance with Great Britain and France against the Nazi menace—is the result not of the change of presidents but of the international situation.

Is Turkey a firm member of a coalition against aggression? British and French people who have had dealings with the rulers of the new Turkey tell you that they are utterly straightforward, that they weigh each promise and demand and do not withdraw or enlarge it. When they made the alliance with Britain and France, President Ismet Inönü and Foreign Minister Saracoglu foresaw and accepted all its consequences. They are, for instance, dismissing German technicians, and no German may go to Karabük. Von Papen is being extremely polite and

"IF THE BRITISH DON'T, MAYBE WE WILL"

[*Drawn before von Ribbentrop's visit to Moscow.*]

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waiting for the British and French to make a mistake. Of this there is some danger. For Turkey expects every Englishman and Frenchman to do his duty—to accept his share of the consequences of the alliance. The chief consequence is that Great Britain and France must quickly give Turkey an alternative to its trade with Germany, which is about half its total foreign trade. To this there is an obstacle: the Turkish pound is grossly overvalued, the price of Turkish goods therefore high. The Turks recognize this, and an ingenious devaluation is likely any day. This done, British and French help will have to be substantial. Another danger is Syria. When France ceded Alexandretta to Turkey, the Turks said that their territorial claims were now satisfied. Not being Hitler, they are to be trusted, but the case might alter if there were unrest and concessions in Syria next door. The worst danger might be another Munich—Hitler is waiting for a second chance in Turkey. But if it is not given to him gratuitously, the peace front has in Turkey a reliable ally in a key position.

Prospects for the TVA

BY J. LACEY REYNOLDS

ORDINARILY the public intrusts the conduct of a public utility to private interests. But with the recent acquisition of Commonwealth and Southern utility properties by the Tennessee Valley Authority the public has at last undertaken the conduct of an extensive electric-power business. Public ownership and operation of electric power, heretofore attempted only in isolated communities, are now in effect over an integrated area of such size as to demand national attention and produce results of nation-wide importance.

When the facilities of the Tennessee Electric Power Company, a Commonwealth and Southern subsidiary, passed from private to public hands on August 15, the $78,600,000 transaction was the largest deal of its kind in history. The TVA joined with thirty-three municipalities and rural cooperatives to form a purchasing partnership, the TVA buying Tepco's generating and transmission properties, and the municipalities and cooperatives its distribution network. This network covers Nashville and Chattanooga and the towns and farms lying between. With these additional facilities, TVA will be able to serve practically the whole of Tennessee, as well as the northern portions of Georgia, Alabama, and Mississippi.

Acquisition of the Tepco properties solved one problem and created another for the Authority. Its chief concern to date has been the marketing problem—how to find an outlet for the electrical energy generated as a by-product at the ten dams now under construction on the Tennessee River. In the absorption of Tepco's distribution system and its integration with TVA's other holdings in the Tennessee Valley a solution seems to have been found. But the anticipated increase in electrical consumption in the area caused by low promotional power rates may well create another problem. Difficulties may be encountered in supplying this mounting demand, particularly if Congress interrupts the dam-construction program by refusing to appropriate funds on schedule.

In the wake of the Tepco deal, TVA may meet two new obstacles in Congress: it may be unable to obtain adequate appropriations to carry its construction program through to completion in 1947; and it may find it hard to get needed tax-replacement legislation through a hostile House. As regards appropriations, it will be recalled that the 1935 amendments to the TVA Act authorized the Authority to issue up to $100,000,000 in bonds, half to be used to assist municipalities in purchasing their own distribution systems, and the other half to carry on its power activities. When the Tepco deal was first broached, a study of the act revealed a technical difficulty in using the bond proceeds for this specific purpose. Oddly enough, the Authority under its bonding powers could issue bonds to construct competing facilities, such as hydro and steam plants, but not to acquire Tepco's existing generating facilities. To correct this flaw in the act and free the bond money for the Tepco purchase, it was necessary to go to Congress. In the House a coalition of Republicans, anti-New Deal Democrats, and coal-district Representatives forced the TVA to surrender its $100,000,000 bonding authorization in exchange for $65,000,000 which could be used to cover its portion of the contemplated purchase. In other words TVA emerged from the transaction shorn of $35,000,000 in bonding authority, a sum which it could conceivably have used to carry on its construction work in the event some future Congress denied regular appropriations. Without this backlog of $35,000,000 the TVA is dependent on the generosity of Congress—a situation recognized by the TVA opposition. In fact, it was only on these terms that the Tepco deal was permitted to go through.

Tax replacements are the second potential source of trouble for the Authority. When the federal government assumed title to private property in the valley, the property was automatically removed from the tax rolls, since local governments are constitutionally prohibited from

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taxing federal holdings. The loss in taxes has been felt most keenly by some dozen counties where Tepco transmission lines and steam and hydro plants are concentrated. Early in the next session, therefore, Congress will be asked to take up TVA tax legislation.

The most potent threat to the TVA and to an equitable settlement of this problem is offered by Representative Andrew Jackson May (Democrat, Kentucky), chairman of the House Military Affairs Committee, through which all TVA legislation must pass. May, a hard-bitten product of the coal-laden mountains of eastern Kentucky, voted for the original TVA Act in 1933. But in 1935, when the TVA amendments were before Congress and the coal barons of his district came out strongly in opposition, May changed his stand. Early in January of this year he conceived the idea of bottling up future TVA legislation by the device of a special TVA subcommittee to handle all TVA bills. He named himself chairman of this subcommittee and proceeded to pack it against the Authority. When this charge was leveled at him later, May hotly denied it at a public hearing, asserting that he had chosen the five members on the Democratic side according to the "time-honored rule of seniority." In defending himself, however, May failed to mention that he had departed from this rule in one significant instance. He took the first four ranking Democrats on the list but skipped the fifth, the late Clarence W. Turner of Tennessee, a TVA friend, and appointed the next man in line, the TVA-hating Andrew Edmiston of West Virginia. This flagrant violation of seniority rights stacked the Democratic side of the committee against the TVA three to two. The Republicans, of course, could be depended upon to oppose the Authority on partisan grounds, if no other. Had Turner been chosen, the majority on the Democratic side would have been in TVA's favor. As it turned out, Turner died before the bond-issue legislation reached the House, but not before he had pointed out to this writer the improbability of getting legislation fair to the TVA through May's packed subcommittee.

Since tax replacement is admittedly the most complicated by-product of the Tepco deal, a satisfactory solution demands a judicial and reasoned study. What may be expected from the May subcommittee was demonstrated during the past session in connection with the bond-issue legislation. The TVA and the governors of the states concerned sought to delay action on taxes at that time because they all were unprepared to make intelligent recommendations without further study. Nevertheless, the committee proceeded to discuss taxes, concentrating on the proposal that the TVA should pay the same "taxes"—or amounts in lieu of taxes—that were formerly paid by Tepco. At first various anti-TVA members of the subcommittee confidently stated, and obviously believed, that such payments would force the TVA to increase its power rates, thus destroying the value of its yardstick. As the hearings progressed, however, it became abundantly clear that the TVA and the associated municipalities and cooperatives could carry the same tax burden as Tepco, maintain low rates, and still show handsome profits. Thereupon the subcommittee executed a surprising about-face and reported out an amendment, later defeated, prohibiting the TVA from paying any taxes whatever to the stricken counties. The "no-tax" idea had never been seriously discussed in open hearings, though Wendell L. Willkie, president of the Commonwealth and Southern Corporation, had remarked that the counties should be left "to stew in their own juice," adding, "A few bankrupt counties would be enlightening." He apparently reasoned that if the counties were not compensated, they would turn against the TVA and public ownership.

Despite these forebodings of trouble, the Tepco deal seems to harbinger happier days, not only for the TVA, but for consumers and participating municipalities and cooperatives as well. Though residents of the valley had unmistakably expressed their determination to get public power, certain minority elements allied with the utilities and associated business interests bitterly contested every step. Now, however, these elements seem to be accepting the new state of affairs without undue bitterness, and in some instances with unexpected cordiality. This attitude will permit the Authority to devote more attention to the major features of its development program—navigation, flood control, and agricultural rehabilitation.

One feature of the deal should contribute materially to a clarification of the issue between proponents and opponents of public power, not only in the valley but elsewhere. Though the utilities have raised the cry that the TVA is "destroying investors," individual investors in Tepco, as well as in the private utilities taken over previously by the TVA, have suffered no substantial losses. Bondholders of the Tennessee Electric Power Company have been paid the full face value of their bonds with accrued interest. Preferred stockholders have received 100 cents on the dollar with accrued dividends. The common stock, of which 99 per cent was held by Commonwealth and Southern, has brought approximately 30 cents. Furthermore, the company has retained valuable ice, water, and transportation properties in the valley; these will be sold and the proceeds distributed among the common shareholders.

The 145,000 consumers formerly served by Tepco will save a sum estimated at $4,100,000 annually, even though they had previously experienced the indirect benefits of TVA's power rates. Before creation of the TVA in 1933 residential rates approximated 5.77 cents per kilowatt hour. Because of the subsequent competition of TVA, they were gradually reduced till last year

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they stood at 2.75 cents. When TVA current finally surged through the Tepco system on August 15, the rates immediately dropped to approximately 1.9 cents, the lowest on the continent except in Tacoma, Washington, and Ontario, Canada. Mr. Willkie, in a full-page advertisement that appeared in various metropolitan dailies on the day of the transfer, called attention to the fact that rates in the Commonwealth and Southern system were well below the national average. Investigation reveals that just prior to the TVA, Tepco residential consumers were paying 5 per cent more than the then prevailing national average of 5.49 cents. Last year, however, Tepco's rates had dropped 37 per cent *below* the national average of 4.40 cents. For this rapid decline residents of the valley thank the TVA's yardstick competition rather than the generosity of Commonwealth and Southern.

Finally, the thirty-three municipalities and cooperatives which joined with TVA in acquiring the Tepco system anticipate substantial benefits. During the six years of TVA's existence these communities and their officials have been subjected to the nation-wide propaganda that "public ownership can't work." When the TVA-Tepco deal was in the making last spring, however, two developments occurred which convinced them of the financial wisdom of acquiring their own systems. The first was their ability to dispose of their power bonds on the open market at unexpectedly low rates of interest—proof positive of "investor confidence" in their ability to conduct the business on a paying basis. These low interest rates prevailed not only on the offerings of the cities of Nashville and Chattanooga, but also on the bonds of rural communities which could not expect the same profits.

The second encouraging development was the success of two TVA systems in Mississippi. In the midst of the Tepco negotiations the city of Tupelo, first community in the nation to obtain TVA current, announced that its earnings justified a second rate reduction within a period of a little more than five years. Under TVA Tupelo consumers were saving as much as 66 per cent on their power bills and using five times as much current as formerly. Almost simultaneously the Alcorn County Electric Power Association, the first rural cooperative to enter the TVA, revealed that in less than five years of operation its earnings had entirely paid off a debt of $236,000 incurred to buy and improve the nucleus of its network. Ironically, at about the time of these two announcements a bloc of TVA-baiting Representatives in Congress were prating of the "failure" of the TVA, ridiculing its successes and belittling its accomplishments. However, the thirty-three municipalities and cooperatives in the Tepco area accepted the experience of the Mississippi communities as a demonstration of the feasibility and financial soundness of public-utility ownership, and of what they themselves may expect under the TVA.

Everybody's Business

Behind the Guns

AS I write, fighting has not yet started in Europe, but everywhere men are standing by their guns while more and more reservists hurry to their posts. In modern war it is not only men and guns that count; the decisive factor may be the economic power behind them. It is therefore worth taking a look at the economic reserves which can be mustered by Britain, on which the chief financial burden of the anti-axis front will fall, particularly as their mobilization must affect our own markets in a vital manner.

On land and in the air the axis powers appear to have a clear lead over the Western democracies, but their navies are markedly inferior, and they cannot therefore expect to draw supplies from overseas. Were the new friendship with Russia to extend to unlimited deliveries from that country, this handicap might be overcome, but it is not yet certain that Stalin is prepared to go to such lengths.

Britain and France, on the other hand, are in a position to draw upon the resources of the rest of the world as long as they can cope with the submarine menace. And inevitably they will turn for many requirements to this country, for here are surplus stocks of food and raw materials and unused productive capacity ready to respond to urgent orders. American neutrality legislation will, of course, prevent purchases of arms, ammunition, and airplanes, but not of metal to make shells, machinery to build planes, oil to drive the enormous horse-power which a modern military machine develops.

How will this business be financed? Under the Johnson Act it will not be possible for either Britain or France to float loans here. But both countries have large gold stocks, and Britain has bank deposits in this country estimated at $600,000,000, as well as extensive investments convertible into cash. Recurrent crises during the past year have caused a constant shift of funds by capitalists, foreign and domestic, and put a terrific strain on sterling. Up to last week the British Exchange Equalization Fund had held the dollar exchange rate steady at around 4.68, but only at the sacrifice of immense amounts of gold. With war apparently imminent, the conservation of bullion reserves became the predominant necessity, and support was withdrawn from sterling, which has since dropped sharply. Obviously this step was forced on London and could not be regarded as a move toward *competitive* devaluation. Hence our Treasury officials did not consider it a violation of the Tripartite Currency Agreement.

A good deal has already been done to discourage the purchase of dollar securities in London, and in the event of war such transactions, together with the transfer of private funds to this country in any other form, will undoubtedly be prohibited. British importers of goods from abroad will probably be forced to get all purchases approved before being able to obtain foreign exchange with which to make payment, and in this way the import of non-essential goods will be restricted if not stopped altogether. The outlook for American exporters of such things as women's

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apparel, electrical gadgets, luxury food products, automobiles, and, perhaps, tobacco is not very cheerful. On the other hand, sellers of trucks, steel, copper, lead, machine tools, and numerous raw materials may expect a rush business.

During the intensified rearmament race of the past two years Britain has attempted to carry on without the kind of control imposed in Germany. But if war breaks out, gold reserves, although incomparably greater than they were in 1914, become a first line of economic defense which must be stringently guarded. When the last war started, the Bank of England had in its coffers only $165,000,000 in gold bullion—an amount which it gradually increased by calling in gold coins in circulation. On March 31 of this year the Exchange Equalization Fund and the Bank of England together held practically $2,800,000,000 in gold. Exports since may have reduced this sum, but the total still available can hardly be less than $2,500,000,000. In a prolonged war most of this will find its way into our already congested vaults, and although we have very little use for it we can hardly refuse it without starting a train of dangerous repercussions.

Britain's second financial reserve line is the large portfolio of American investments held by its nationals. These holdings are by no means as large as in 1914, but they are conservatively estimated at over $1,000,000,000, and in addition there are direct British investments here with a book value of over $600,000,000. At the outbreak of the last war it was feared that liquidation of foreign-owned securities in New York would demoralize the market, and this was one reason why the Stock Exchange was closed for several months. On its reopening, the prospect of war profits provided strong local support, and the war boom got under way. In 1915 the British government took steps to mobilize dollar stocks and bonds. British holders were invited to exchange them at market price plus a 2½ per cent premium for 5 per cent Exchequer bonds. Alternatively they could lend them to the government to be used as collateral in return for a rate of interest ½ per cent greater than the yield of the security concerned. Under this scheme a grand total of over $3,000,000,000 was handled.

This time the British government has not waited even for the actual outbreak of war. It has already forbidden transfers of the securities of nine countries, including the United States, and ordered their registration at the Bank of England. This means that private dumping of British-owned stocks on the New York Exchange will be prevented and that liquidation will proceed in an orderly manner. Close attention has also been given to this problem by the SEC, but final plans have not been announced. Last spring a plan was discussed for a kind of banking consortium which, under the auspices of the RFC, would take over all securities conscripted by foreign governments. Liquidation could then be timed strictly in accordance with market conditions instead of with the exigencies of the belligerent countries. On the other hand, unless the securities were bought outright, in which case the risks of realization would fall on the consortium, it would be necessary to advance funds against them to the governments concerned. Could this be considered a violation of the Johnson Act?

Here is just one of the knotty financial problems we shall come up against in war time. So many others are bound to arise that the Administration would do well to establish a special interdepartmental committee to grapple with them. For however isolated from a European war we may remain, we are not and cannot be insulated from its economic shocks.

KEITH HUTCHISON

In the Wind

REVIEWING VINCENT SHEEAN'S "Not Peace but a Sword," for *Harpers,* John Chamberlain accused Sheean of a "tendency, which he shares with John Gunther, Jay Allen, Edgar Ansell Mowrer, Dorothy Thompson, *et al.,* of assuming that what rocks Sarajevo must rock Boise." To which Jay Allen entered a two-word defense: "It did."

THE GERMAN-AMERICAN Bund, whose scorn for democracy is boundless, is faced with a paradoxical problem in its San Gabriel, California, branch. The membership of the West Coast group is on the point of secession for five reasons—chief of which is the national office's alleged "unparliamentary methods."

HEARST'S CHICAGO *Evening American* is engaged in something of an editorial campaign against the movies, which it maintains have become "a battleground for foreign isms," but the circulation department apparently is not taking the crusade too seriously. In the issue in which the *American's* editors find that "the trend [of the movies] is to advocate, wholly or in part, the doctrine of communism and to vilify everything that opposes communism," a front-page eight-column streamer exhorts: "Movie Fans! Get Autographed Photos of Favorite Film Star. Choose Interviews for Ann Marsters. . . ."

LEGISLATIVE NOTES: A bill to prevent refugee physicians and dentists from practicing in California was introduced in the last session of the assembly. . . . The Illinois house considered a measure that would bar movies in which twice-divorced actors and actresses appear.

ONE OF THE largest American machine-tool companies was recently visited by German purchasing agents, bent on placing a sizable order. Explaining that they feared difficulty in getting their money, the company's executives turned down the order and the Germans withdrew. Ten days later they reappeared, this time with the order indorsed by the French steel and munitions trust, the Comité des Forges.

CLEARANCE SALE: "Emmerling's funeral chapel, in business in Hammond for nearly forty years, announces that the firm will feature $70 funerals this week."—Item in the *Lake County Times* of Hammond, Indiana.

[*We invite our readers to submit material for In the Wind —either clippings with source and date or stories that can be clearly authenticated. A prize of $5 will be awarded each month for the best item.*—EDITORS THE NATION.]

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Issues and Men

BY OSWALD GARRISON VILLARD

THE news of the signing of a non-aggression pact between Russia and Germany illumined the darkness of the European scene like an ominous flash of lightning. It will only be his own fault now if any American reader fails to understand the kind of game being played in Europe and especially the character of the men who are playing it. The men, wholly without conscience, who have cemented their dictatorships with the blood of innocents, are outsmarting once more the incompetent, stupid, and too often hypocritical leaders of the democracies. Once more Hitler has shown amazing dash and ruthless daring. He wins partly because he is bound by no dictates of morality or decency or honor or justice, partly because he knows what he wants and dares to take it. At this writing it appears as if Poland would have fallen a victim to his aggression before this article can appear in type. I am just leaving for Europe and shall therefore not be able to revise it in proof. I am further handicapped in my comments by not having had a chance to read the exact text of the document. But what it says will not affect the general judgment that two conscienceless men, supposed to be the deadliest enemies, have come together for mutual advantage. It would seem as if even in Germany there would be some understanding of the utter hypocrisy of Hitler's signing a non-aggression pact with the government that he has denounced as the worst in the world, against which he has rallied Japan, Italy, Spain, and Hungary.

That Hitler was ready to sign a new commercial treaty with the wicked Bolsheviks and to grant them a credit of two hundred million marks shows the straits he was in. One does not help wicked people by increasing their business unless one badly needs help oneself, to the point of being willing to pocket one's scruples. Now the non-aggression agreement will leave him with no excuse for keeping up his anti-Comintern pact. The new alignment in Europe completely wrecks Japan's game against Russia; the reports of consternation in Tokyo are the easiest to believe of all the rush of news that has followed the incredible announcement from Berlin. As for Stalin, he too is revealed in his true colors. Not that I blame him for mistrusting Chamberlain. Millions of Englishmen have little faith in their Prime Minister, and will have far less now after this fresh revelation of his incompetence. Why the Prime Minister permitted the negotiations with Russia to drag on so long no Liberal or Labor editor in London has been able to understand. It was plain that if Russia was to be had for the democratic alliance it could only be on Russia's terms. But of course if Stalin had been honest and sincere he would never have entered into negotiations with Chamberlain. Like attracts like; Stalin and Hitler are not far apart in their general policies—though the great Russian experiment promised much for humanity until it was betrayed.

But what I want to stress today, at the moment of taking ship to observe the effects of this catastrophe at close range, is that the lesson for America is plain. It is that more than ever we must keep out of the whole revolting European mess, out of this conscienceless power-politics game, and free ourselves from the delusion that we have got to back England and France in order to save democracy for the world. The kind of game that is being played over there is one that we cannot play, one that we must not play, if we wish to preserve our integrity. The duty we owe to humanity is to go our way in peace and in honor, bent on perfecting our democracy, on making it work, on doing justice to our underprivileged and exploited people, our share-croppers, our half-starved miners, our itinerant workers. We have problems enough on our own hands without taking on those of others. We have no right to jeopardize what may soon be the greatest remaining reservoir of democracy in order to go to the rescue of people who so mismanage their own affairs.

Let no one think for a single moment that the prospect of a Europe dominated by Hitler, with his brutal aggressions and his vile doctrines, is one that leaves me any peace of mind. But the United States cannot settle the future of Europe; only Europe itself can do that. Not all my tremendous sympathy for the British people and the French people estops my saying today, "America first." I do not speak in any selfish or holier-than-thou spirit; everyone who has followed my life's work knows that I have never been an isolationist except in the matter of war and peace. I have hated the Republican-protectionist-militarist dogma that we should think only of American interests in setting up our tariffs and building up our fleet. I still would have America remain a center of sympathy for the masses who have been betrayed by their leaders. But I repeat that we cannot, if we would, straighten out Europe, and that we must not jeopardize our own institutions by letting ourselves enter the struggle.

As for the Communists in America, their position is really ridiculous. They have been telling us that Stalin was absolutely for democracy and that we must line up with him to save democracy. No wonder the *Daily Worker* could not at first print the news!

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BOOKS *and the* ARTS

Nazi Nihilism

THE REVOLUTION OF NIHILISM. By Hermann Rauschning. Alliance Book Corporation. $3.

THE author of "The Revolution of Nihilism" was the first Nazi president of the Free City of Danzig and belongs to the East Prussian Junker class which led imperial Germany into the last World War with a pan-German program in comparison with which the Versailles treaty still looks gentle and just. It was this same group that in 1933 struck with Hitler that fateful bargain which was to turn the demagogic Austrian with his mass appeal in northern Germany into a tool of reactionary and anti-social schemes against the Weimar Republic. Rauschning believed at that time that National Socialism would cure Germany's post-war ills and even joined the Nazi Party. He still entertains "some of the essential considerations that determined his past political attitude." He became Nazi president of Danzig and remained in this prominent post until November, 1935. He even accepted, at least outwardly, the killing of many of his friends in the savage blood-purge of June 30, 1934, not to speak of the atrocities committed on thousands and thousands of workers and intellectuals in the concentration camps. When, however, the party insisted that he should "secure the *Gleichschaltung* of Danzig, arresting inconvenient priests, disfranchising the Jewish population, and suppressing all rival parties," he quit, went into exile, and thought things over.

He spent three years making up his mind, comparing what was happening in Germany with what he had expected when he joined the Hitler camp. It becomes obvious at once that we are not dealing here with an adventurer of the true Nazi type, such as Lüdecke, who wrote "I Knew Hitler," but with a responsible man driven by his conscience. He constantly takes pains to penetrate the surface of events and personalities, avoiding, with taste and responsibility, every trace of sensationalism. His language remains heavy, conveying the difficulties of a strenuous intellectual process.

There are many disclosures and interpretations which will strike home at this particular time with special force. To take only one example of timeliness: Herr Rauschning, writing when anti-Soviet propaganda ran high in the Third Reich, says: "The anti-Soviet policy of National Socialism seems so much a matter of established doctrine that a return to the old pro-alliance conception of the Reichswehr might seem impossible for the Third Reich. But, as I frequently indicated, that is not so . . . it may well be that, sooner or later, Germany will deliberately seek an alliance with Soviet Russia." One would like to go on quoting from the parts of the book which merely relate what the author heard and observed while he was a Nazi. The thorough dishonesty and corruption of Hitler's regime becomes plastic. Many genuine anti-Nazi writers have written to the same end, but here is the first authentic inside story of Nazism. This makes it especially valuable for the skeptics who have again and again ignored similar observations and conclusions as left-wing propaganda.

More important, however, at this juncture, is the former Nazi's political program, which will shortly be applauded from many quarters:

> The elements of a genuine and lasting European order can, however, be brought together only within a new general system of justice and equality. Thus the revolution [of the Nazis] can only be brought to an end by the united efforts of the nations of Europe, not by those of any one nation. But certain as it is that the Versailles order is not a general system that can stem world revolution, it is equally certain that Germany's recovery cannot be established by force or violence.

Nazism is interpreted as new, at least in its scope and its practical application by a great power; it is "the revolution of nihilism," nihilism being "the total rejection of any sort of doctrine," which "must develop of necessity by its own logic into absolute despotism." Nazism and communism—not Nazism and Stalinism, not the ruthless rule of two bureaucracies who want to stay in power at all costs—are taken as the same thing. The old "conservative" conception of the German Junker, which stood for centuries for exploitation and suppression, within limits, and combined for big landowners this attitude with comfortable ethical standards, "still holds."

The author is honest enough to note that these ethical standards were quickly lowered and lowered again until they reached Hitler's level. He speaks of the suicide of the old order, but—rather pathetically—still thinks of the *Herrenclub,* the citadel of aristocrats à la Papen, as a place where the European solution was worked for. These same aristocrats engineered the final surrender to Hitler in order to protect their relatives in East Prussia where the "Osthilfe" scandal was about to be revealed, i. e., the outright stealing of state money. (Not to reveal their names is the only promise Hitler has kept so far.) No, the philosophical implication of Rauschning's concept of conservatism seems to me at the best meaningless—as meaningless as the pious phrases of Dollfuss and Schuschnigg, which did not keep them from massacring the Viennese workers and from delivering their country to Hitler. A different concept is needed to solve the European problem—it will not be solved by the mere overthrow of Hitler. The discussion in the French press about the *jour d'après* already poses some aspects of the tremendous task which will confront the world then. If one doubted before that the Dollfuss-Schuschnigg-Rauschning type will be adequate to this task, the well-intentioned vagueness of Rauschning's "solution" increases the doubt.

But in spite of all this "The Revolution of Nihilism" is easily one of the most illuminating and most exciting political works which the German emigration has produced so far. It gives precise, unwavering answers to the origin and development of the Nazi Party and the present and future plans of Hitler. Practical knowledge sustains its restrained but passionate polemic; every line, one feels, carries the conviction

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which is acquired in the bitter struggle of an honest conscience. There is a serious finality in this work which demands respect even of one who finds himself unable to follow all its interpretations or may become impatient now and then with an ethical catechism that takes at face value all the nice abstractions which in this world are only applied when they happen to fall in line with concrete material interests.

To conclude with a remark necessary in the face of the uncritical advance press which "The Revolution of Nihilism" has already received: Kurt von Ossietzky, the great editor of the *Weltbühne,* was fought by the old German conservatives in the most vicious way and ignored by the new conservatives (who are interpreting history today with the wishful thinking of disillusioned radicals running for cover). But he had already exposed Nazism and prophesied its course on a really constructive level at a time when the now repentant Nazi Rauschning still wore the swastika on his arm. Why does no publisher print Ossietzky's writings?

FRANZ HOELLERING

The End of an Age

THE YOUNG MELBOURNE. By David Cecil. The Bobbs-Merrill Company. $3.

THE fashionable English biographer still finds his best sitters where the sophisticated English portrait-painter of the past found them—in the century and a half between 1688 and the ascent of Victoria. Before the Glorious Revolution the face of man was still murky with fitful lights, unfathomed passions, and daemon-driven wills that made the pose unsteady and the features appalling. After the 1830's his lineaments again became as muddied by nettled egoism, somber humiliations, doubts and horrors as the pictures of Landseer and Watts depict them. But in the interval of Enlightenment and Rationalism, breeding, arrogance, and grace laid their charm upon life, and even where they did not still its violence or arrest its failures, they provided the bold gaze and unruffled poise that enhanced whatever contrast might exist between the exquisite and the brutal, the complacent and the absurd, the avid and the confounded. The note of that precarious grace, which gives its special appeal to the art of Zoffany, Reynolds, and Romney, is what the Stracheyans have attempted to strike in their drawings of the Zélides and Lespinasses, Gibbons, Pitts, and Walpoles that have multiplied on the market in the past twenty years. One of Strachey's own best vignettes in this manner is imbedded in "Queen Victoria," in the sketch of Lord Melbourne. It offers the ideal properties of the type. A child of the old regime, born of illicit passion and parvenu ambition and cursed with the moral sensibility that told him his plight, was catapulted into the passions of the romantic age, pitched between the destroying furies of Caroline Lamb and Byron, driven out of society and political preferment only to be driven in upon himself, and so to find at last, before his pathetic extinction, a momentary happiness in old age as the young queen's first prime minister and tutor in the lessons of disillusioned wisdom he had so bitterly learned. The Melbourne of Strachey's sketch is the old and bitten man of Landseer's portrait; that of David Cecil's present book is the haughty Regency youth of Thomas Lawrence. It is unlikely that Cecil wrote his book without taking Strachey's hint (although he nowhere acknowledges this), but his deft biography is as much a portrait in the Georgian manner as Strachey's glimpse was in the style of embattled desolation appropriate to a sitter who began his career in the age of reason and ended it in an age of confusion.

Cecil's book is by no means of the mill-run competence that stamps most works of its class. It is by the author of "The Stricken Deer," and introduces into the tumult of Regency scandal and Whig careerism the same frailty of conscience and anguish that suited the career of Cowper, though these elements in Melbourne's character are exposed to dramatic situations that never broke in upon the pastoral of Olney. At the same time "The Young Melbourne" is far from being, as Mr. Dobrée claims, the equal of "The Portrait of Zélide," that masterpiece of its genre, as exquisitely Mozartian in its phrasing and design as it is accurate in catching the pattern of frustration that lay beneath the surface of eighteenth-century lives. These Cecil misses, though he writes with ease and decency, is admirable in setting the stage of great Whig country houses and London salons, is unobtrusive but dependable in his critical sense, takes us once more behind the well-worn scenes of Egremont's affair with Melbourne's mother, of Byron's flushed success and Lady Caroline's imbecilities, and puts in the necessary strokes of Whig factionalism, Holland House strategy, and Reform Bill agitation, of a landed aristocracy in decay and commercial interests on the make, that give size and prophetic importance to Melbourne's oddly baffled career. The drawing is done with tact; the problem of character is played up along acceptable Greek lines; the adjectives are moderate and the Stracheyan iteration of contrasts is subdued; and a glimpse is captured and held of the old regime's presumption and simplicity of mind just before it pitched into the heats and violences of a new age of struggle.

All this, conveyed with discreet scholarship and ease, has invited a characteristic spate of encomiums in England and Harold Nicolson's laurel as the work of "the best of all modern biographers." Such superlatives defeat their purpose. The book is all that good sense, tact, and taste can make it, but if it illustrates the best of current biography, it means that the craft has again fallen on lean days, and has sacrificed in weight and historical substance what it gained some years ago in readability and charm. Cecil and "The Young Melbourne" are better unburdened by this groaning tribute. They belong to a tradition of portraiture that graced one of the best periods of English taste and recorded the faces of men and women who shook no worlds and had no great respect for their own, but stood for an enchanted moment firm on their ground, their complacent gaze directed at a future whose fevers and insecurity were largely hidden from them or, if sighted, caught chiefly in the private rancors of their personal lives. It is such a glimpse that "The Young Melbourne" offers, and it derives more credit from its reference to a charming tradition and a restrained art than from its bearing on the world that Melbourne's last political office ushered into existence, and for which all his harrowing experiences in love and society left him unequipped.

MORTON DAUWEN ZABEL

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The Mexican Enigma

MEXICO MARCHES. By J. H. Plenn. The Bobbs-Merrill Company. $3.

THE MEXICAN CHALLENGE. By Frank Kluckhohn. Doubleday, Doran and Company. $2.50.

ANOTHER MEXICO. By Graham Greene. Viking Press. $3.

IF IN any country things are not what they seem, they are even less so in Mexico. There every major event has its antithesis. Parallel trends move toward apparently contradictory objectives. Inconsistencies are delicately balanced to achieve working relationships. In the ensuing confusion one thing is clear: Mexico is finding its way from the past to the present not by following indicated paths of progress but by discovering new and immediate methods to serve its purpose. Many of the resultant procedures, when viewed from different aspects, may be labeled communist, fascist, or democratic with equal validity. But the application of labels is of little importance; what is important is the unraveling of those trends and tendencies which go to make Mexico at once the most backward and the most advanced country on the North American continent. Unless these are all traced to their origins, the kaleidoscopic changes taking place in Mexico today cannot be understood. To this difficult task Mr. Plenn, without attempting too profound a study, has applied himself in "Mexico Marches." He has sympathetically examined the country's major forces and the new forms developed in its desperate attempt to solve century-old problems with modern equations.

"Mexico Marches" deals with such basic problems as land, oil, education, labor, and the church. Current happenings are made intelligible in terms of causal origins and historic background. The chapter on the oil situation presents a readable and ordered account of that tempestuous transfer of the oil fields from foreign to domestic hands. In its vivid depiction of the early days of oil development, intellectual analysis is joined with emotional insight to vitalize the human integers represented in statistical figures. A similar method is used with equal success in the discussion of education and the heroic work of Mexico's rural school teachers. The book also contains a useful statement of increased fascist influence in Mexico, which writers sympathetic to the present government generally like to ignore. A thorough survey of Mexican life today should, however, include a careful consideration of the radical problem, the change in the position of women, public health, and foreign relations, topics to which Mr. Plenn gives scant treatment or which he neglects altogether. The chapter on the arts, on the other hand, might well have been omitted, consisting as it does of haphazard impressions which in no sense provide a measure of the subjects discussed. Too much of the book reads as though it had been written on the run. The style is uneven, but in general it reflects the vivid color and uneven tempo of events described. Journalistic terseness is interspersed with journalistic lushness. When Mr. Plenn sticks to the former he is excellent. When he gives in to the latter, one of his best friends ought to tell him.

"The Mexican Challenge" by Frank Kluckhohn covers essentially the same ground as "Mexico Marches." When the Mexican government expelled Mr. Kluckhohn last January, the official announcement stated that " . . . his dispatches were always filled with inexactitudes, and above all with alarming prophecies in regard to supposed paths of national policy." His recently published book is written in the same spirit as his daily dispatches. I think that in both his reporting and his book Mr. Kluckhohn tried to do an honest and careful job. But although he writes with determined objectivity, weighing the pros and cons of controversial subjects in an effort to produce an unbiased study, his basic prejudices prevent him from accomplishing this purpose. They determine his treatment of every major topic. The technique involved consists of judicious understatement and overstatement, of strategic placing of facts, of slight omissions and elaborations. Most of the facts are correct. It is in the way they are juggled about and in the subtle innuendo that accompanies them that Mr. Kluckhohn has misrepresented the Mexican scene. The oil situation provides a case in point. In a detailed analysis of all its aspects he fails to discuss the obvious link between the boycott of Mexican oil by democratic countries and the Mexican-German barter agreements. Trade relations with the totalitarian states are stressed. The boycott is mentioned as inconspicuously as possible. But the second is never linked to the first as a contributing causal factor except in a direct quotation from Cárdenas which is cited only to be questioned. On the other hand, a direct connection is made between the elimination of American interests and increased Mexican-German trade as though the sequence were inevitable, and without any reference to the intermediate link of the boycott. Labor conditions during the oil boom are neatly disposed of in one sentence: "The inexpert Mexican laborers were paid relatively insignificant salaries." But three whole pages are devoted to a description of labor exploitation that has presumably developed since expropriation.

The instances cited above are not unique. They exemplify a method used throughout the book, the very same method which, in his news reporting, resulted in the author's expulsion from Mexico. In all fairness it must be stated that Mr. Kluckhohn has not tried to strike back. The prejudices evident in his book are prejudices that, I am sure, he took with him among his other impedimenta when he first went to Mexico. Every word he writes is colored by his probably sincere conviction that the United States can help Mexico in a big way if only Mexico will relax and put its faith in the benevolent big brother up north. Mr. Kluckhohn's book has value as a clearly expressed account of recent developments in Mexico written from the point of view of one who believes that Mexico is still a semi-colonial country that can best achieve its destiny through the helpful intervention of a friendly United States Administration.

"Another Mexico" contains no subterfuge. It is frankly written with charity toward none and with hatred toward all things Mexican. Its author, Graham Greene, did not journey to Mexico for the fun of it. He came sniffing for sin, on the lookout for religious persecution throughout the country and particularly in the state of Tabasco. He found what he wanted by focusing his attention on a restricted area of the country and seeing only what he came to see. The book is full of the distortions and inaccuracies that

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inevitably result from his almost pathological hatred of the country. His observations on Cedillo, the oil situation, and the Catholic church are inconsequential nonsense. He conveniently forgets why the churches were closed. Yet he cannot well be ignorant of the long history of church corruption in Mexico, of the church's repudiation of the constitution, and of the trains wrecked in the name of Jesus Christ. Needless to say, none of these are mentioned in the book, though they might have found a place, not as an excuse for religious persecutions, but as an explanation of them. In his highly emotional indictment of Mexico Mr. Greene, however, is not encumbered with reason or a sense of reality.

He uses hatred as a barrier against beauty, though there are glimpses of it in the book that have entered through the interstices of his antagonisms. But the flood-gates are open to ugliness and vice. They flow through the book in a torrential stream. The prose itself is stunning because of the economy and impact of its concrete imagery, and the book contains some telling characterizations of the disagreeable features of Mexican life. All its unsavory details are sharply and vigorously etched with a bile-drenched pen. The pity of it is that so brilliantly written a book should be so full of hate and prejudice, so steeped in cantankerous Catholicism.

VIRGINIA MISHNUN

Manhattan

SCRATCH THE SURFACE. By Edmund Schiddel. Harcourt, Brace and Company. $2.50.

MR. SCHIDDEL'S "novel of Manhattan" follows the classic formula for such novels: the style is flip, racy, occasionally lurid, and occasionally shot through with "philosophic" overtones; some of the situations have a tabloid violence; and all the characters are latter-day representatives of the "lost generation," in whom the depression has either modified or exaggerated certain initial behavior patterns. Two of the leading characters, the heroine and her lover, recognize economic necessity to the extent that they have become more competent, more positively cynical, and more determined to survive than their prototypes in the twenties: they exhibit the same recklessness in regard to liquor and sexual promiscuity, but they manage at the same time to hold down responsible jobs at salaries which, to the average citizen, would seem stupendous in any age. The hero, out of a job and forced to live on his wife's earnings, belongs more logically to a depression-ridden world—yet in his attitude toward this situation he suggests all the laissez faire bohemianism, the amiable ineffectiveness of the "lost generation" in its first period: he flounders through the book in an almost continual state of alcoholic stupor, from which he is roused only by a fight with the more successful man for whom his wife has temporarily deserted him.

The title of the book is misleading: Edmund Schiddel does not attempt to scratch the surface of the kind of life he aims to describe; he has not even scratched the surface of a convenient formula for describing it. His characters exist on such a low level of consciousness that they are unable to visualize the world they live in, even in its direct bearing upon themselves—and one is forced to the conclusion that Mr. Schiddel's own understanding of this world is as limited as theirs. Thus his plot, which deals with one of the most crucial and far-reaching situations in modern times, seems to occur in a vacuum, without reference either to its broad social implications or to fundamental human values: for all its drama, and the occasional lucidity of its presentation, it fails consistently to move us.

HELEN NEVILLE

Democracy and Economics

THE ILLUSION OF ECONOMIC STABILITY. By Eli Ginzberg. Harper and Brothers. $3.

POLITICAL ECONOMY AND CAPITALISM. By Maurice Dobb. International Publishers. $3.

SINCE the great crisis of 1929, how to control the economic process so as to iron out business fluctuations has become one of the foremost social problems. Not the least effective weapon of fascist propaganda is Nazi Germany's claim to have achieved full employment while rich America still has millions of unemployed workers. Can a democracy solve the problem of economic stability?

Mr. Ginzberg's excellent study gives a rather discouraging answer to this question, although he does not leave the reader entirely hopeless. Mr. Ginzberg began his investigation by studying what some large business corporations did in this country to stabilize business. Interesting as these experiments were, the author soon discovered that they were of limited significance. This led to the next step, a study of the problem against the background of American economic history, particularly since the Great War. So Mr. Ginzberg's book became the chronicle of the aspiration for an illusory goal; not only do the facts show that economic stability was never achieved, not even during the New Era from 1922 to 1929, but the author also tends to prove that complete stability is incompatible with economic efficiency.

The starting-point for his analysis is the fact that economic conditions are determined by expectations concerning the future, guesses which for their part depend upon the present situation and past experience. Not even the most complete knowledge of past and present, however, could prevent business fluctuations. New industries spring up, the monetary system tends to push both economic advances and retreats beyond their normal course, and human psychology escapes control. Besides, full knowledge does not exist. The business community operates with a set of rules based on many years of practical experience but by no means reliable under all circumstances. Price stability was considered a most trustworthy signpost for general stability. Theory supported this view, and since during the New Era prices were strikingly stable, business confidently expected that prosperity would be permanent. The doctrine of high wages and the stability of profits, measured in terms of capitalization or sales, completed the confidence-inspiring picture.

Wiser after the event, we can now discover the cracks in the walls of prosperity before 1929. We have learned that stable prices concealed a profit inflation and that, generally speaking, wages by no means kept pace with the economic

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expansion. The rate of growth in key industries, such as automobiles and construction, was bound to slacken, and this in its turn necessarily reacted upon capital-goods industries.

Mr. Ginzberg believes that many illusions of the New Era are still current under the New Deal. While agreeing with the Administration that an increase in purchasing power was imperative, he questions the basic concept of the NRA, that is, the doctrine of high wages. Not the rising purchasing power of the masses so much as the expected rise in production costs led to the inventory boom of 1933, according to the author. Expectations again determined the course of events.

Other illusions, the author holds, were responsible for the agricultural policy. Mr. Ginzberg supports the spending program, but he does not share the belief that public spending can be a permanent solution. None of the methods used by the New Deal can achieve business stability, because complete stabilization is an illusion. Only complete government control could secure stability, by a regimentation incompatible with the efficient use of available resources. "When Soviet Russia forces kulaks to fish in northern waters and pays them a bare subsistence wage, when Germany conscripts the unemployed to drain the marshes of East Prussia and recompenses them with a mark a day and keep, one may be justified in talking of the full utilization but surely not of the efficient utilization of available resources." All we can hope for is thus to moderate the advances and to check the retreats by using the partial controls at our disposal and by developing new ones that do not interfere with economic progress.

Mr. Ginzberg presents his case in a simple and convincing way although he bases his presentation on extensive statistical research. The theory of expectations, developed mainly by the Scandinavians, is one of the most useful tools of economic theory. However, if expectations rule our ecoonmic life, what explains the violent breakdown in 1929 when optimism prevailed among the business community long after the crash on the Stock Exchange? Aren't there forces at work stronger than psychological attitudes, controlling and even counteracting them at times?

This is partly the subject of Mr. Dobb's book. While Mr. Ginzberg restricted his study to American experience, Mr. Dobb moves in the realm of theory. He confronts Marxian economics with modern works and discusses Marx in a way and with a terminology which make his works accessible to the Anglo-Saxon student. In line with Marx's tendency Mr. Dobb stresses the limits which economic law and institutions set to individual behavior. However, Mr. Dobb acknowledges that certain of the determinants of Marx's prices of production may be affected by a change in expectations, although the determinants of value in the labor theory of value would not be affected. Movements leading away from equilibrium were stressed by Marx in contrast with the tendencies toward an equilibrium which Ricardo emphasized. Besides, the key role of expectations becomes possible only because of what Friedrich Engels called "the unconsciousness of the parties concerned." The uncertainty of each entrepreneur as to the expectations and actions of all is one of the leading premises in Marx's criticism of "capitalist anarchy."

Dr. Ginzberg, basing his judgment upon practical experience, is convinced that complete stability is incompatible with freedom. Mr. Dobb endeavors to merge planning and a market, but neglects to discuss fully whether such a market would be free in any sense of the word. Within these limits, both books are important contributions to a discussion whose outcome is vital for the future of democracy.

ADOLF STURMTHAL

One Man's Fight

IT CAN BE DONE. By James Hudson Maurer. Rand School Press. $3.

JIM MAURER began fighting shortly after he was born. He fought with playmates in the rough-and-tumble, poverty-stricken slums in which he was raised. He fought with his stepfather after his own father had been carried away by smallpox during an epidemic which raged through Reading, Pennsylvania, unchecked by medicine, sanitation, or quarantine. He fought his way from one underpaid job to another. He used his fists for free speech for his friend who was a leader of the Knights of Labor. He fought black list with boycott; treachery with cunning and courage. As president of the State Federation of Labor he fought for factory regulation, accident compensation, old-age pensions, child-labor laws. As a member of the state legislature he fought the boss-ridden political machines of a full generation. He fought for peace in 1916-17 and peace without victory in 1919. He fought the Pennsylvania Cossacks until, finally, they were beaten. As a member of the Socialist government of Reading he fought for clean and efficient government. All his life he has fought for labor and socialism, and with the writing of his autobiography he still urges on the fight from the sidelines.

Child laborer, machinist, theatrical entrepreneur extraordinary, steamfitter, business man, Knight of Labor, Populist, Socialist Labor Party organizer, Socialist, state legislator, president of the state federation from 1912 to 1928, a national leader of the Socialist Party throughout his mature years, Jim Maurer's life is an almost complete vertical section of the labor movement from the Knights of Labor to the present. He tells his story well and simply. His writing is unself-conscious and threaded with a strand of old-school humor. He passes judgment on many men and events. He doesn't like Wilson or Gifford Pinchot. Like Lincoln Steffens he has found the political crooks more reliable than the idealists. Gompers is let off easy. Debs is Maurer's ideal.

Maurer's autobiography is encouraging in two respects. His whole life is a demonstration that "it can be done"—even single-handed at times. But more than this, Maurer's story provides a perspective from which to judge the present state of affairs. After all, the Cossacks have been eliminated. Child labor has been narrowed down to the agricultural industries. Venal and corrupt as our press now is, it will have to go some to beat the press of Maurer's early days. The reactionaryism of 1918-20 was more nearly comparable to the condition of Germany under Hitler than anything which is upon the horizon in this country at present. If war can be avoided, perhaps there is still a chance.

ROBERT R. R. BROOKS

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End the Silent Treatment!

In "The Coughlin Terror" which appeared in *The Nation* of July 22, James Wechsler said:

> "New York's experience with Coughlinism has visible national significance. The city has become a laboratory for carefully developed fascist experimentation, nourished by the heterogeneous character of its population and by the timidity of press and public officials. Ultimately, however, the problem is national. ***What the rest of the country can learn from contemporary New York is the failure of the silent treatment.*** For silence has merely encouraged rumors, half-truths, and bizarre reports which create a panic among Coughlin's foes almost as deadly as the hysteria which obsesses his followers. What is needed is swift official attention."

The Nation's intense and sustained campaign over the past weeks has given Coughlin and his followers—the so-called Christian Front—a strong dose of the type of publicity they dislike. Also, there has been marked improvement in the way the New York City police have handled situations created by the Coughlinites.

The subject is still hardly touched by the daily papers, although *The Nation's* July 22 article and editorial have been discussed in the columns of a few out-of-town newspapers and magazines whose editors care for democracy more than they fear pressure groups. Writes *The Churchman:*

> *"The Nation* is to be congratulated on printing this article and editorial. One of the painful aspects of the situation is the failure of the New York newspapers to give any adequate report of what the Coughlinites have been doing in the streets of New York. Here was material for a dramatic series of informative articles, but the series hasn't been printed. Can it be that the daily press fears to become involved with a Roman Catholic priest, however many members of that church are opposed to Coughlin?"

* * *

To place the facts before as many people as possible, and in response to requests from all over the country, *The Nation* reprinted and circulated 30,000 copies of the article "The Coughlin Terror" and the editorial "LaGuardia's Course Is Clear." Hundreds of individuals and organizations have distributed them in large and small quantities among their friends and members. This supply of reprints has been exhausted, but a second supply is being printed now.

Fascism cannot stand the light. We urge you to help in calling the attention of more and more people to the Coughlin menace.

REPRINTS ARE AVAILABLE AT THE FOLLOWING RATES:

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RECORDS

NEW records not having arrived, I have listened to some very old ones. A few years ago I played again an old Victor record of Frieda Hempel singing "Deh vieni, non tardar," and was astounded by the musical style I had been too young to appreciate when I had heard her sing the aria in the Metropolitan's last production of "The Marriage of Figaro" in—believe it or not—1920. By this time Hempel's records had been cut out of the Victor catalogue, together with almost all the records of the great singers of the past except Caruso's; but record stores still had some, and the Vesey Music Shop had not only the old Victors but imported records from the large historical section of the H. M. V. catalogue; and I have at last got to the point of acquiring a few of them.

Hempel's great record of "Der Hölle Rache" from "The Magic Flute" was temporarily unavailable; but I got the H. M. V. version of "Deh vieni, non tardar," which is different from the Victor, with Hempel's voice coming out clearer (the speed of the phonograph motor should be increased by enough to raise the pitch of the orchestra's first note from b to c). And I also got an old Victor record of Melba singing "Caro nome" from "Rigoletto" and "Ah! fors' è lui" and "Sempre libera" from "Traviata"; and two H. M. V.'s of Hempel singing the same arias. From Melba one hears sequences of small, effortless, and beautiful sounds; from Hempel phrases with the life and character which this music acquires from her extraordinary brilliance of voice and musical style.

There are, then, records from which someone can discover how great an artist Hempel was. But though Matzenauer went on singing until quite recently, there is exactly one record in the present Victor catalogue from which to know that she was one of the supreme artists of a generation—an artist as outstanding in her province as Toscanini in his (and in passing it is a sufficient commentary on the Metropolitan as an artistic institution that of these two artists Toscanini found it impossible to stay, and Matzenauer was dismissed before there had been any considerable decline in her powers). But of Rethberg there are still a number of records; and I strongly urge getting the "Ave Maria" from "Otello," which is one of the finest vocal records ever made.

While waiting I also listened to some more Decca repressings from German Odeon and Parlophone matrices, including a large number of recordings made by Richard Tauber. The drippingly saccharine timbre of his voice is one that I dislike; his singing is full of the exaggerated swells and diminuendos and other tricks of the operetta style; and it is in this style that he sings the songs of "Die Winterreise" and most of the other songs by Schubert, Schumann, Strauss, and Wolf. A few, however, he sings simply and with good effect: Schumann's exquisite "Mondnacht" and "Ich hab' im Traum geweinet"; his "Nussbaum" and three songs of the "Dichterliebe" cycle; his "Ich sende einen Gruss" and "Widmung"; and Strauss's "Traum durch die Dämmerung," with an objectionable orchestral accompaniment, and with affected singing of "Ständchen" on the reverse side.

Lotte Lehmann's voice is fresh and lovely in the coupling of "Freudvoll and leidvoll" with "Der Trommel gerührt" from Beethoven's music for "Egmont"; and she is delightful in the two selections from "Die Fledermaus"; but she is a little shrill in Schumann's "Frauenliebe und Leben" cycle, which also has objectionable orchestral accompaniments. Bettendorf's singing in Strauss's "Morgen" is excellent, but she does less well with Brahms's "Von ewiger Liebe" on the reverse side. Paul Lohmann's records of Schubert and Wolf songs I advise against. And the same for Kartun's record of Albeniz's "El puerto" and Moriz Rosenthal's of Albeniz's "Triana" and a Chopin Mazurka.

It is interesting to compare recent Ellington records with the early ones reissued by Victor under the sponsorship of Hugues Panassié. The recent "Cotton Club Stomp" (Brunswick), for example, is more poised, more slick, and more elaborately arranged, with even Cootie Williams's solo trumpet held within the arrangement; whereas the simpler scoring of the 1929 "Cotton Club Stomp" (Bluebird) leaves more to be improvised, and to be improvised with greater freedom, and with better results, by Williams, Hodges, and Bigard, and the performance has a spirit that is lacking in the recent version. That is also the difference between the recent and wearisome Hodges "Dance of the Goon" and "Home Town Blues" (Vocalion) and Williams "Black Beauty" and "Night Song" (Vocalion), and the early and interesting "Got Everything but You" (Bluebird). There are exceptions: one encounters an early "Rockin' in Rhythm" (Victor) which is overorganized, an early "Shout 'Em Aunt Tillie" (Bluebird) and others that are uninteresting; but on the whole these early records are simpler, and it is among them that one finds the outstanding Ellington performance: "Saratoga Swing" (Bluebird) and "No Papa No" (on the reverse side of "Rockin' in Rhythm").

Concerning the rest of the Victor reissues and Panassié's booklet I will have more to say later.

B. H. HAGGIN

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Letters to the Editors

Old Yankee G. O. P.

Dear Sirs: Joseph F. Dinneen in your issue of August 12 maintains that Governor Saltonstall of Massachusetts is honest and a liberal.

Governor Saltonstall's record in the legislature showed thirty-seven votes "against" labor and three "for" (compilation by the Massachusetts State Federation of Labor). So his attempt since becoming governor to emasculate the State Labor Relations Act, his pushing through of a merit-rating system for unemployment insurance, and his ignoring of the unions when he has made appointments to positions of special interest to labor have surprised no one.

A liberal is supposed to believe in civil liberties. When Saltonstall was speaker of the house, a bill came up to establish in every community of any size a place where speakers would not require a permit—the so-called Hyde Park bill. It was going through the house with a majority of one vote until Speaker Saltonstall stepped down from the rostrum and voted against it. This most unusual procedure tied the vote, and the bill was lost. As governor, Saltonstall recently ordered state police to South Barre, where a strike was in progress, over local protests.

His excuse was that the chief of police was an employee of the company and involved in the strike! This is the first time that the state police has been so used by a Republican governor. Saltonstall has not lifted a finger as governor to secure repeal of the obnoxious teachers'-oath law.

An honest man is supposed to keep his promises. Saltonstall as candidate promised labor that he and his party would put through an exclusive state fund for workmen's compensation insurance, a state wages-and-hours law, with standards at least as high as the federal, repeal of the teachers'-oath law, and a law to guarantee peaceful picketing. He has welched on all these promises.

Governor Saltonstall belongs to the class of blue-bloods who disdain ordinary graft. The unearned income they have received all their lives seems to them entirely honest. Saltonstall is a fit descendant of a certain Leverett Saltonstall who left the United States to live in England after 1776 because of his sympathy for the Tory cause. This is Mr. Dinneen's honest liberal.

HORACE B. DAVIS

Newton, Mass., August 18

F. D. R. Must Unload Hague

Dear Sirs: Shall justice be forfeited upon the unholy altar of New Deal political expediency? That seems to be the program of some liberal statesmen who are advising that any federal investigation of Mayor Frank "I am the Law" Hague at this time would be injurious to the fortunes of Franklin D. Roosevelt, if he intends to make another attempt at election to the Presidency in 1940. They say that Hague is needed to provide pro-Roosevelt delegates from New Jersey to the next national convention.

If Hague were thoroughly and fearlessly investigated by the federal authorities, the facts revealed would make Tom Pendergast, Jimmy Hines, and Martin T. Manton look like political amateurs.

Some think that because the United States Supreme Court has ruled against Hague in the matter of his absurd denial of civil liberty in Jersey City, the fight against this Jersey Hitler is over. To true lovers of liberty the fight has just begun.

Franklin D. Roosevelt must unload Hague before 1940. The New Deal cannot inspire confidence with America's No. 1 fascist on its band-wagon. There can be no compromise with corrupt Democratic machine bosses who have ruthlessly framed and imprisoned sincere critics, denied civil rights, stolen elections, and prostituted everything decent in American life.

LIVINGSTON SCHUYLER

Jersey City, N. J., August 13

Textual Criticism of Keats

Dear Sirs: I should perhaps anticipate two comments on my review of the Buxton Forman Hampstead Edition of Keats in your issue of August 12 by saying that my review was written and proofread before the appearance of H. W. Garrod's Oxford edition of "The Poetical Works of John Keats"; that Garrod's initial statement must be respected: "The textual criticism of Keats would be easy—perhaps indeed non-existent—if it began and ended with the printed texts. Its embarrassments proceed from the astonishing wealth of MS material"; and that the first sentence of my last paragraph might better read: "This apparatus *has* a place, but it should be in separate volumes, and so forth."

Garrod's edition, while having nothing explicit to add to our critical understanding of Keats's art, has reduced the textual apparatus to a minimum and made the critical approach more intelligent than Buxton Forman's obstructing mass of annotations. What both these editions miss emphasizing to the reader of Keats's text as that of a poet is the fact that the poems, with a few minor exceptions, were printed and approved in their final form by Keats in his own lifetime; that his variants are those any poet struggles through toward his finished product; that the published texts must reasonably be taken as the basis for poetic evaluation, the preliminaries being only of such psychological or empirical value as our clearest justice and most improved biographical tactics can make of them; and that "textual criticism" hardly deserves its name when it ignores critical or aesthetic relevance by putting these preliminaries on an equal footing, or obscures their value by clouds of personal and historical conjecture.

I would also say here that I have no wish to play with the pathos of Keats's death by emphasizing the oppressions of his modern admirers and editors. The man who wrote the preface to "Endymion," the thinker and critic who wrote the letters, the character who conceived the Nightingale ode, and the artist who wrote even such a fragment as "The Eve of St. Mark" invites no false sympathy, and the poet who won the praise that Keats has won from his equals—including that in Hopkins's letters—doesn't need it. But Yeats on "The Scholars" has a tonic value at all times, and these two impressive editions furnish a notable example of the bearing of textual scholarship on the critical task. Garrod's edition offers it with greater objectivity than Forman's.

The seriousness of this problem for the modern methods of poetic study is

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obvious, and I might add that I hope to deal with it shortly in a fuller discussion in another journal.

MORTON DAUWEN ZABEL

Chicago, August 22

Munich and the Labor Party

Dear Sirs: In your issue of July 1 your correspondent, Robert Dell, charged the British Labor Party with voting for the ratification of the Munich agreement in the House of Commons. I should be glad if you would inform your readers that, so far from this being the case, the following amendment was moved on behalf of the Parliamentary Labor Party and after two days' debate was rejected by 369 to 150 votes:

That this House, while profoundly relieved that war has been averted for the time being, cannot approve a policy which has led to the sacrifice of Czechoslovakia under threat of armed force and to the humiliation of our country and its exposure to grave dangers; and realizing the intense desire of all peoples for lasting peace, demands an active support of the method of collective security through the League of Nations and the immediate initiation by His Majesty's Government of proposals for the summoning of a world conference to consider the removal of economic and political grievances which imperil peace.

The government's motion approving of the Munich policy was carried by 366 to 144, the minority being, in the main, members of the Labor Party.

J. S. MIDDLETON, Secretary

London, England, August 9

Buchman Calls It Harmony

Dear Sirs: Reading your paragraph on Buchman's "moral rearmament" in *The Nation* of August 5 brings to mind some matters which appear to have been forgotten in quarters where they ought to be remembered. Buchman is not merely vaguely in favor of "harmony." He is quite definitely an admirer of Hitler. Quotations which support this assertion are reproduced from the New York *World-Telegram* of a year or so ago in Brady's "Spirit and Structure of German Fascism." If this were better known, I think the New Dealers and labor leaders who have been indorsing moral rearmament would no longer do so.

SIDNEY L. JACKSON

New York, August 21

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